# ACR07MEMPHIS

# Advances in
# Consumer Research

## Volume
## XXXV

**Editors**
**Angela Y. Lee**
**Dilip Soman**

**ASSOCIATION FOR CONSUMER RESEARCH**

Angela Y. Lee and Dilip Soman, Editors

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# Preface

The 35th Annual Conference of the Association for Consumer Research was held at the Peabody Hotel in Memphis, Tennessee, U.S.A., from October 25–28, 2007. These proceedings include papers, reports, summaries and commentaries on research and discussions presented at the conference.

The theme of the ACR 2007 Conference was "Building Bridges." Over the past decades, the field of consumer research has evolved, grown, and specialized according to theoretical paradigms, methodological interests, substantive applications, and geographies. One important goal of the conference was to provide the forum for intellectual exchanges and the building of bridges across different subgroups. Innovations in this year's program included three epistemic sessions representing each of the three areas in consumer research–Consumer Culture Theory, Information Processing, and Judgment & Decision Making. The sessions were open discussions led by a panel of experts that dissected issues central to consumer researchers such as constructs and measurements, consumer freedom, and future of the field. Guided tours were conducted at the working paper session where experts led interested scholars through select posters on various topics. And junior scholars were provided with the opportunity to meet and interact with leaders of the field at the Presidents' and Fellows' Corner.

The key to the success of any conference lies in the quality of research presented, as well as the coherence and structure of the conference program. This year we set the record for number of submissions (over 700 across all categories), acceptance rates, and attendance (over 900 in total including 330 doctoral students). We accepted for presentation 53% of the 109 symposium proposals submitted, 46% of the 408 competitive papers, 125 working papers, nine films and six roundtables. We thank all the authors, and the symposia and roundtable chairs for submitting very high quality research to the conference. We also thank our program committee, our competitive program committee, and all the reviewers for their commitment and support in helping us put forward an exceptional program. In particular, we thank the following individuals who took academic leadership of various parts of the conference program: Joel Huber, David Mick, Brian Sternthal (Epistemic Sessions), Russ Belk, Rob Kozinets (Film Festival), Simona Botti, Raj Raghunathan (Roundtables), Lance Erickson and Narayan Janakiraman (Working Papers), Rohini Ahluwalia, Russ Belk and Baba Shiv (Doctoral Symposium). And special thanks go to Donna Hoffman and Eric Johnson for organizing and co-chairing the online preconference.

In addition, several other individuals deserve our sincerest thanks and gratitude. The conference ran smoothly largely due to the tireless efforts of ACR Executive Director Rajiv Vaidyanathan, ACR conference coordinator Patty Salo Downs, local experts Balaji Krishnan and Cele Otnes, as well as the student volunteers from Northwestern University, University of Toronto, University of Memphis and York University. We also appreciate the time and efforts of Miguel Brendl, Tory Higgins, Punam Anand Keller, Lisa Peñaloza and Baba Shiv who served as expert guides at the working paper session. Lolotte Olkowski, Northwestern University, was the hand and voice behind a lot of the organizational efforts. We also owe special thanks to Alex Cherfas for his help with the ACR conference web system, and the proceedings would not have been published but for the efforts of Carol and Steve Barnett. Finally, we thank Merrie Brucks, President of ACR, for trusting us with this conference. And we are grateful to past conference chairs Susan Broniarczyk, Gavan Fitzsimons, Geeta Menon, Joan Meyers-Levy, Vicki Morwitz, Connie Pechmann, Linda Price and Akshay Rao for all the advice and support they gave us along the way.

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**Friday, October 26, 2007**
**EPISTEMIC SESSIONS**
8:00am-8:55am

Epistemic Session 1: *Consumer Culture Theory and Consumer Freedom*
Epistemic Session 2: *What Counts as Knowledge in Judgment and Decision Making*
Epistemic Session 2: *Rigor in Information Processing Research*


**Friday, October 26, 2007**
**SESSION 1**
9:00am-10:15am

1.01   *Consumers' Construal Levels: Organic Manipulations and Implications for Choice*
1.02   *Bridging Cultures: Theorizing the Spaces between Disciplines, Peoples and Consumer Identities*
1.03   *"Money Makes the World Go 'Round–and Other Interesting Effects on Affect, Consumption, Goal Pursuit, and Generosity"*
1.04   *Price Perceptions: The Role of Framing and Context*
1.05   *Cross-Cultural Differences in Responses to Products and Promotions*
1.06   *Health Marketing: Understanding Consumer Response to Risk and Remedy Messages*
1.07   *Understanding the Role of Co-Creation in Fantasy and Fun*
1.08   *What Drives Word of Mouth: A Multi-Disciplinary Perspective*
1.09   *Consumer Resistance and Other Socially-Motivated Behaviors*
1.10   *Issues in Measurements: Application, Scaling and Response Bias*
1.11   *New Insights in Consumer Point-of-Purchase Decision Making*


**Friday, October 26, 2007**
**SESSION 2**
10:45am-12:00pm

2.01   *Temporal Consumption: How Time Influences our Memories of the Past, our Enjoyment of the Present, and our Preference for the Future*
2.02   *"You'll Take the High Road and I'll Take the Low Road" : The Multiple Routes of Affective Influences on Consumer Behavior*
2.03   *Understanding Collaboration and Collective Production: New Insights on Consumer Co-Production*
2.04   *Commercial Mythology and the Global Organization of Consumption*
2.05   *How Do Goals Function?*
2.06   *Consumption, Health, and Consumer Wellbeing*
2.07   *Consumption Over Time: Predictions of Future Use and Value*
2.08   *Retailing and In-Store Consumer Behavior*
2.09   *Categories in Context*
2.10   *Culture Matters: Effects on Search, Information Processing and Response*
2.11   *Is Beauty Only Screen Deep? Perceptions of Avatars in Computer-Mediated Environments*


**Friday, October 26, 2007**
**SESSION 3**
1:45pm-3:00pm

3.01   *Erroneous Lay Theories of Future Affect: Processes and Consequences*
3.02   *Consumer Motivation: Identifying Factors that Increase Goal Adherence*

**Sunday, October 28, 2007**
**ROUNDTABLE SESSION**
9:00am-11:00am

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| 11.02. Roundtable Session: | *Defining and Exploring Exorbitant Buying Behavior* |
| 11.03. Roundtable Session: | *Philosophy and Consumption: Discussions onTtrust and Brands* |
| 11.04. Roundtable Session: | *Internet Tracking and Clickstream Data: Methodological Issues* |
| 11.05. Roundtable Session: | *Conducting Consumer Research in China & India: Issues, Challenges and New Directions* |
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> **Primary Organizers:**
> Humaira Mahi, San Francisco State University
> Giana Eckhardt, Suffolk University
>
> **Participants:**
> Anders Bengtsson, Suffolk University, USA
> Rajesh Bhargave, Wharton, University of Pennsylvania, USA
> Dipankar Chakravarti, University of Colorado, Boulder, USA
> Haipeng (Allan) Chen, Texas A & M University, USA
> Rosana Vieira de Souza, Brazil
> Shan Feng, Drexel University, USA
> Doug Hausknecht, University of Akron, USA
> Ying (Annie) Jiang, University of Ontario Institute of Technology, Canada
> Anjala Krishen, University of Nevada at Las Vegas, USA
> Jing (Jill) Lei, University of Ontario Institute of Technology, Canada
> Xuiping Li, National University of Singapore, Singapore
> Ashesh Mukherjee, McGill University, Canada
> Raj Raghunathan, University of Texas at Austin, USA
> Sridhar Samu, Indian School of Business, Hyderabad, India
> Rajiv Vaidyanathan, University of Minnesota, Duluth, USA
> Jeff Wang, City University of Hong Kong, Hong Kong
> Xin Zhao, University of Hawaii at Manoa, USA

> **Discussion Leaders:**
> Annamma Joy, Concordia University, Canada
> Diego Rinallo, Bocconi University, Italy
>
> **Participants:**
> Alice Chu, The Hong Kong Polytechnic University
> A. Fuat Firat, University of Texas-Pan American, USA
> Lynne Nakano, Chinese University of Hong Kong
> Michael Solomon, St. Joseph's University, USA
> Alladi Venkatesh, University of California, Irvine, USA
> Luca Visconti, Bocconi University, Italy

# Working Paper Abstracts

# Choices in Consumer Research: Unintended Consequences

Merrie Brucks, University of Arizona, USA

## ABSTRACT

This paper is a slightly revised version of the presidential address delivered on October 26, 2007 at the Association for Consumer Research conference in Memphis, Tennessee. In this address, I explore how individual choices shape the overall composition of literature that ACR members claim to be our unique contribution to social science. I argue that structural and psychological factors shape individual decisions in a predictable manner, resulting in systematic distortions in the amount of attention focused on various types of consumption and purchase phenomena. Finally, I will discuss some recommendations for how we might reshape our body of knowledge to achieve greater representativeness in our literature.

We gather at ACR to discuss and explore ideas about the behavior of consumers. In contrast, I am going to talk to you today about the behavior of consumer *researchers*, in particular, how we (as behavioral scholars) choose research topics. The selection of a research topic is one of the highest involvement choices you and I will ever make. For example, the choice of a dissertation topic commits you to years of extensive study and writing, as well as public presentations at conferences and job interviews, and ultimately negotiating with reviewers and editors through multiple rounds and possibly multiple journals when it comes time to publish your findings. If your chosen path turns out to be fruitful, you may even spend a lifetime exploring your topic.

Clearly, the choice of research topic has many immediate and obvious consequences to the individual. But my talk today turns our attention to the aggregate level, exploring how individual choices shape the overall composition of literature that ACR members claim to be our unique contribution to social science. I will make the case that structural and psychological factors shape individual decisions in a predictable manner, resulting in systematic distortions in the amount of attention focused on various types of consumption and purchase phenomena. Finally, I will discuss some recommendations for how we might reshape our body of knowledge to achieve greater representativeness (Shimp 1994) in our literature.

## INDIVIDUAL CHOICE PROCESSES

Think for a moment about your current research projects. How did you happen to choose these particular topics? Out of all the possible research questions one could construct, *why these*? Imagine for a moment that you could symbolize every possible research topic as a door along a hallway. Behind each metaphorical door is a path of unknown length and uncertain obstacles, with an uncertain outcome. Which door(s) do you open? Which threshold(s) will you cross? That is the question I am posing to you.

I am going to share some ideas based on my long-term interest in how researchers actually make that decision and what some of the influences are. I rely in part on my experiences with interviewing doctoral students for faculty positions, and in reading research advice columns and published interviews with young and established scholars as reported in newsletters of ACR and related organizations. Based on these materials, along with some unavoidable researcher introspection, I identified a list of easily articulated influences on choices of research topics: (1) recognition of gaps in the scholarly literature; (2) gentle or pointed influence from advi-

sors and mentors (I completed my Ph.D. over 20 years ago, and I still recognize the influence of my doctoral advisors, Andy Mitchell and Rick Staelin, as I work to define research problems); (3) consideration of substantive issues and available support to study those issues (for example, the Marketing Science Institute and ACR's Transformational Consumer Research make issues salient and provide resources to facilitate research on specific topics); and (4) the perception that a research area is "hot", which we judge by gauging enthusiasm for various topics at conferences such as this one.

### Resonance with Self

In addition to these fairly obvious factors, I see another important influence in the selection of research topics: resonance with self. From a scholarly perspective, the idea that we are attracted to research topics that resonate with us at a personal level is a natural extension of the growing literature on the relationship between self and consumption behavior (e.g., self-concept, extended self, self-brand relationships, identity projects, etc.). The conduct of scholarly research may be viewed as a consumption activity. We consume and produce ideas, motivated by implicit and explicit goals. We selectively attend to information, process it through the filter of our past understandings, make decisions on how to proceed, and respond to feedback along the way. These behaviors are embedded within social networks and institutions. Compared to other consumer behaviors we might study, choosing a research topic is relatively personal and highly consequential. Not only will you be immersed in your topic of choice for years to come, but this topic also will define your professional identity.

Think for a moment about the scholars you know and the topics they study. Do you see any connections? What about your own research? These "self-research" connections may be quite intentional on the part of the researcher (e.g., "I'm studying cancer awareness because my mother died of cancer"), or quite subtle (e.g., "I've always been drawn to the study of [insert personality trait or consumption behavior here]"). Leaders in the field often advise young scholars to pursue research topics they feel passionately about. This advice makes sense since studies have shown that scholars are more productive and impactful when internally motivated rather than externally driven (see for example, Richins 2000). Another reason for the occurrence of self-research connections is that personal observations often serve as the spark that ignites a research project. Again, it makes intuitive sense to ground literature in actual consumer phenomena (see for example, David Mick's (2005) Presidential column, "I Like to Watch") because we like to think about ourselves and the people around us. Doing so is a natural part of the human condition.

### How Pervasive is the Self-Research Connection?

While preparing this address, I received the October issue of the Association for Psychological Science's newsletter, the *Observer*, in the mail. This issue featured profiles of ten young productive, influential, and potentially path-breaking scholars in Psychology. These young researchers were interviewed about what they work on, why they work on it, and how they were drawn to the topic (*Observer* 2007). These interviews seemed like an ideal data set to provide insight on this question, since they offered access to a wide range of people not otherwise accessible to me. I analyzed

these interviews as text, coding the data pertaining to choice of research topics. My general finding was that the researchers could be segmented into two basic groups regarding the degree of personal connection evidenced in these interviews.

The six researchers in the first group articulated a personal connection to their research, which appeared to be a strong influence on their choice of topics. Here are some excerpts from those interviews:

> "I was advised to do what interests me the most. I started with self-perception because I was most interested in 'myself'." [Kwan]

> "I have been fascinated by self-improvement since I was a kid." [Kornell]

> "I have always been fascinated by the idea that reality is a mental construction." [Gallo]

> "During graduate school, I came to realize that I was most interested in the impact of relationships, past and present, on the self… That other people can play such a profound role on shaping who we are is fascinating to me." [Chen]

> "I have always had a personal interest in politics, and my focus on attitudes and attitude strength really grew out of this interest." [Visser]

> "I grew up hearing dinner table conversations about interesting language phenomena… Both the issues… and the methods excited me then, and they continue to excite me now. [Saffran]

Each of these excerpts make a statement about how these people chose a research topic based upon who they are and what they connect with.

The second group of researchers was more focused on research outcomes. They were on a problem-solving quest, as evidenced in the following excerpts:

> "Developing a formal, rigorous, and mechanistic answer to the question of how cognitive control arises in the mind and brain can be considered to be the 'holy grail' of scientific psychology and neuroscience. I find it incredibly exciting to be contributing to this quest for understanding." [Braver]

> "The potential of an integrative discipline of quantitative clinical-cognitive science remains largely untapped. This relatively unexplored niche fascinated me as an undergraduate." [Treat]

> "I was assigned to analyze data from a drug trial of a potential treatment for cognitive deficits associated with Alzheimer's disease… and I become hooked on cognitive neuroscience…As for the research questions I am drawn to now, I think they all have their roots, to some extent, in my early interest in logic and mathematics." [Thompson-Schill]

> "I was drawn to this line of work because I believed it would provide the foundation for promoting positive development among children." [Pomerantz]

The four scholars in this group appear to be motivated by solving a problem or by contributing to science. But even in this group, one can still observe a personal connection and identification with their work.

The data from these interviews pertain only to scholars in Psychology. You may be wondering whether it is reasonable to generalize to consumer research as a field of study. Both fields focus on human behavior, although there are some fundamental differences in domain. Consumer Behavior is clearly an applied field, defined by its focus on particular human behaviors (Folkes 2002). Despite the applied nature of consumer research, the institutional structure of business schools permits scholars housed in these colleges the freedom to choose topics with relatively little concern for project sponsorship. (The vast majority of ACR members are primarily affiliated with business schools). As such, we are generally not expected to bring in large grants to fund our students and ourselves. We receive summer support from our deans, and research funding is often part of our contractual package. onsequently, we are not forced to go out and obtain sponsors who believe in and buy into our research projects. In addition, if you look at the ACR Presidential and Fellows addresses over the years, you can see that we are a bit ambivalent about the importance of being "relevant". For these reasons, I assert that we have much more freedom to indulge our self interests than do our counterparts in many of the basic social sciences.

Another way I was able to gauge the prevalence of self-research connections in our field was to reflect on my experience of interviewing potential faculty candidates at the AMA Summer Educators' Conference. I have talked to approximately 400 doctoral students in that capacity. I almost always ask these faculty candidates how and why they picked their research topics. The answers are quite revealing. Typically, when I ask a consumer behavior student this question, he or she will respond with a statement about how they personally connect with the topic. It could be something they observed, something they felt, or something they wished they had understood better about their own lives or the lives of loved ones. Whether or not this was the original impetus for their topics, they typically articulate a connection to their own lives. This is in sharp contrast to the doctoral students who position themselves as "managerial" or "strategy." These students typically provide a strategic answer to my question of how they chose their research topic. They explain why the topic is important for managers or for public policy and how their line of research may help solve an important problem. They may quote trade magazines and news sources about the magnitude of the problem to be solved. In this way, they are similar to the second group of psychology scholars. Modeling students sometimes provide a strategic answer as well. But more often, they seem surprised to be asked. Why would it matter how they came to choose their topic? Last year, one student actually responded, "Why would you ask such a question?" When pressed, answers relate to data availability, advisor's expertise, or sudden insight while solving a mathematical problem. Reflecting on the patterns of responses across the set of AMA interviewers, you can see that students reflect who they are and how they think in the way they answer this question. The behavioral students connect their topics to their own experiences and observations of human behavior; managerial students adopt a strategic perspective to explain motivation; and modeling students… well, you get the idea. (For the doctoral students in the audience, the correct answer to the question is one that demonstrates your passion for the topic and your commitment to continue to work on it. It doesn't really matter where your inspiration came from.)

**TABLE 1**
FOCAL RESEARCH TOPICS OF ACR 2007

| EPISTEMIC SESSION | CENTRAL ISSUES |
| --- | --- |
| Judgment and Decision Making | Individuals' preferences and choice outcomes |
| Consumer Information Processing | Individual differences in learning, memory, attitudes, persuasion, and affect |
| Consumer Culture Theory | Power structures, agency, and freedom |

## THE CONNECTION BETWEEN FOCAL RESEARCH TOPICS AND ACADEMIC LIFE

This year's conference includes three plenary sessions, one for each of the three major sub-fields within consumer research as identified by Simonson et al. (2001). The goal of these sessions is to provide a forum for researchers within a given theoretical paradigm to raise contentious theoretical and methodological issues pertinent to their paradigm, and to debate and perhaps move towards a resolution of these issues. Given the broad aims of synthesizing and advancing scholarly knowledge, these sessions are referred to as "epistemic sessions". The title and core issues of each of the epistemic sessions are shown Table 1.

**Traits and Motives of Academicians**

Let's consider how these topics relate to the lives and motives of academics (see, for example, Brown 1984; Cavan 1970; Snodgrass 2002). I will identify four principal academic traits, and show how each is connected to the topics listed in Table 1. First and foremost, academicians value *autonomy*, both personally and professionally. We don't like to be told what to do. I see that many of you can relate to that. We become academics so that we can control how we spend our time, choosing our work hours ("any 80 hours you want, each week" one of my professors once told my econometrics class) and what we do in those hours. We are a strikingly independent group of people. This trait appears to be reflected in the topics we choose to research. As you look over Table 1, you can see an autonomy theme represented in the central issues we study in all three sub-fields: individuals' preferences, individual differences, and agency and freedom.

Second, academicians value *status among peers*. We spend many hours at work hoping to be rewarded with recognition from our peers and prestige for our own personal "brand name" (Snodgrass and Brucks 2004). The financial rewards of dedicated scholarship are few. Perversely, the honors accorded to the top scholars typically require even more unpaid work (e.g., editorial review boards, conference program committees, and promotion and tenure evaluations). In Table 1, you might see the study of "power structures" as related to this academic value. Third, a related value common to academicians is the desire to have an influence on others, to leave a *legacy of ideas*. This motive may make topics such as persuasion, choice outcomes, and power structures particularly salient to academicians.

Finally, a fourth trait of the academician is to approach the world from a *detached, analytical perspective*. We thrive in a world that centers on learning, reasoning, analysis, and thinking. As teachers, we try to develop these skills in our students. Thus, it is not surprising that many of the topics in Table 1 relate to cognitive processes and outcomes. In summary, all of the core issues listed in Table 1, with the notable exception of affect, are directly related to core values and motives of academicians.

**Agentic Versus Communal Goals in Academic Life**

The structure of academic life also exerts an influence on what is salient to academicians. Almost all of us work in universities or aspire to do so. The academic tenure system rewards the pursuit of agentic goals, typically at the cost of achieving communal goals. Three issues I will discuss are the 24/7 workweek, academic entrepreneurship, and geographic mobility.

*Working hours*. Prestige in research requires a prodigious level of scholarly output, while simultaneously meeting the short term demands of teaching and service. In combination with the academician's competitive nature, a rather compulsive work ethic has evolved. For example, Joe Alba quoted the biologist Edward O. Wilson's advice to new Ph.D.s in biology in one of his presidential columns (Alba 1999): "If you choose an academic career you will need 40 hours a week to perform teaching and administrative duties, another 20 hours on top of that to conduct respectable research and still another 20 hours to accomplish really important research" (Wilson 1998), which brings us back to that 80 hour workweek I learned about in my first semester of graduate school. This obsessive work behavior may be admirable in some circles, and might indeed speed scientific discoveries in some fields. But there is a drawback to the glorification of obsessive work behavior in consumer research, if not the social sciences in general (not to mention the obvious implications for individuals and their families). The work-obsessed scholar lives in a world where family, community, and spiritual issues are background rather than foreground issues. In this way, the professor-scholar is encouraged to lead a life that is fundamentally different from the lives of typical consumers that are the intended focus of our research.

*Entrepreneurial research style*. The ultimate success for an academic scholar requires breaking new ground, creating new conceptual frameworks, discovering new phenomena, and being recognized for doing so. There is no glory and few perceived rewards to be gained from working cooperatively as part of a team, as may be the case in a corporate research laboratory. We are expected to discover and innovate on our own, and to inspire others to follow us.

*Geographic mobility*. Geographic mobility is an accepted way of life for most academicians. Doctoral students are expected to seek employment at another university, which necessitates a move in all but the largest cities. After acquiring that first teaching position, one begins the six (or eight or ten) year job interview known as being an assistant professor. Young scholars are typically advised that the best course of action is to maximize their mobility. During this period, the possibility of having to relocate constantly looms on the horizon. From a financial point of view, this enforced rootlessness continues over one's entire career. Most universities allocate the biggest salary raises to professors who pose the highest risk of relocating to another university. Professors who put down roots in the local community lose their perceived mobility to some

degree (except, perhaps, in cities with multiple universities), and thus forfeit their opportunity to receive equal financial compensation for their work. Thus the independent orientation that draws people into the academic life is further accentuated by disconnection from the local community. Taken together, (1) the work-focused lifestyle, (2) the incentive to produce work that can be uniquely identified with the individual researcher, and (3) the disincentive to affiliate with citizens of the local community, can only intensify the salience of agentic goals at the cost of communal goals.

**Culling the Field through the Journal Review Process**

Morris Holbrook once described authors' experiences with submitting articles to journals for peer review as a form of masochism (Holbrook 1986). It takes a tremendous amount of persistence, even obsession, to keep rewriting, answering (pandering to?) reviewers who probably devote less than one percent as much effort in reviewing the paper as the authors do in creating it. Once authors have experienced this process with their first paper, they undertake every new research project with the knowledge of what will happen once they complete the project and submit it for peer review. Given the noted difficulties with the process (see also John Lynch's (1998) presidential address on reviewing), there must be a marked self-selection bias on who is willing to repeatedly subject themselves to such a process. In his ACR presidential address, Don Lehman said, "I was fortunate to get into this business when tenure was easier to obtain but I still think I would rather be a roofer or run a chain saw than endure a seven-year mental and social makeover" (Lehmann 1996). Out of the universe of people who have the ability and motivation to do high quality scholarly research, only a fraction of them are attracted to the idea of spending the bulk of their lives enduring the seemingly endless rounds of attempted intellectual makeovers. And yet, clearly, some people do successfully endure this process. And they become the gatekeepers for the creative work of everyone else, locking in their perspectives as part of the journal's screening process.

The result is apparent when you compare the content of our top journals with the subject matter of the presentations you see here at the conference. The papers presented at ACR conferences are much more diverse, more creative, and explore many more aspects of consumer life than those you see published in our top journals. One potential explanation is that more creative, more diverse topics are associated with lower quality scholarship. Another explanation is that more creative scholars have lower tolerance for the review process and its hegemonic application of intellectual criticism.

## CONSEQUENCES FOR CHOICE OF RESEARCH TOPICS

Previous ACR Presidents have commented on our choice of research topics. In his 1977 presidential address, Hal Kassarjian described consumer research of the time as an exercise in "anthropomorphism", in which we see a reflection of ourselves in the behavior of the consumers we study: "[Given the] countless thousands of insignificant decisions… made by the consumer, to assume a thinking, reasoned, attitudinally influenced decision may well be a classic example of anthropomorphism" (Kassarjian 1978). Valerie Folkes made a similar observation in a presidential column in the *ACR Newsletter*: "The body of consumer knowledge that we call consumer research reflects our own idiosyncrasies…To the extent that we are a homogeneous group, the field reflects what that segment of the population deems important, useful, and interesting" (Folkes 2002).

In fact, the bulk of ACR's presidential addresses indirectly deal with this issue. Table 2 summarizes the key points of several

of these addresses. Each one of these addresses is quite thought-provoking and I refer you to the original sources for deeper insight than I can provide here. I would like to point out the overall picture that emerges from looking at the right column in the table: the depiction of consumers as high involvement, conforming to existing theories, American, isolated from the rest of life, explained through dispassionate discourse, behaving in their own self interests, adult, thoughtful, capable, and non-social. The overall picture that emerges describes the stereotype of a professor!

At the aggregate level, the concerns of Hal Kassarjian and Valerie Folkes appear to be right on target. The body of consumer research does not reach the goal of "representativeness" as set out by Terry Shimp (1994) in his presidential address. As stated by Shimp, the fundamental and abiding purpose of consumer research is to acquire understanding and knowledge of consumer behavior. But much of consumer behavior is outside the everyday life experience of academics, what Jerry Zaltman characterized as "hidden events" in his presidential address (Zaltman 1983). Zaltman defined hidden events as phenomena whose existence we either doubt or deny, or do not know about at all. Hidden events are distinguished from neglected topics, which are purposefully ignored. The literature in social cognition and judgment and decision making provide many theoretical explanations for why everyday phenomena may be hidden from the view of the work-focused academician: for example, selective exposure and selective attention, perceptual biases and schematic biases in assessing meanings, goal priming, memory accessibility, and false consensus bias, to name a few. When you factor in the tendency of researchers to intentionally choose topics of self-relevance, the problem of achieving representativeness in consumer research as a discipline becomes even of greater concern.

As I was reflecting on hidden events, I was reminded of the influential paper by Holbrook and Hirschman (1982), which highlighted consumer "fantasies, feelings, and fun" as neglected topics in consumer research. I began to wonder if these topics are in fact hidden events. Perhaps consumer fantasies, feelings, and fun are on the margins of personal experience for the trend-setters in academic life, and are thus "hidden" from academic view? Maybe we overlooked these topics because, as academics, we are not having that much fun. With this in mind, I began to think how the Holbrook and Hirschman paper might be extended. What other areas of life might be "hidden events" to us, academics living in our isolated ivory mobile homes? In Table 3, I suggest additional hidden events, as possible outcomes of faculty priorities and lifestyle. Although each of these topics has received some attention in the literature, my reading of the literature suggests that the body of research that we consider "consumer behavior" systemically under-represents these issues, both conceptually and empirically.

## SUGGESTIONS AND RECOMMENDATIONS

A multitude of forces lead us to focus on a narrowed set of theoretical issues and behavioral phenomena: disciplinary institutions and culture, university structures, and individual psychology. Thus I organize my thoughts on specific actions accordingly. Some of these suggestions have been made by others in service of different goals. Other suggestions run counter to conventional wisdom.

**ACR and Its Sponsored Conferences and Publication Outlets**

I agree with Richard Bagozzi (1992) that we do not want to over-manage the field from the top-down, which puts too much power in the hands of too few gatekeepers. Instead, it makes sense to create countervailing incentives to expand the vision and resources of individual scholars by facilitating networking and direct-

TABLE 2
VIEWS FROM SELECTED PAST ACR PRESIDENTS

| PRESIDENT (YEAR PUBLISHED) | MORE ATTENTION NEEDED ON: | CONSUMERS OVERLY REPRESENTED AS: |
|---|---|---|
| Hal Kassarjian (1978) | Low involvement, mundane behavior | High involvement |
| Jerry Zaltman (1983) | "Hidden events" | Conforming to existing theories |
| Jag Sheth (1985) | Global perspectives | American |
| Russ Belk (1987) | Embeddedness in "rest of life" | Isolated from "rest of life" |
| Morris Holbrook (1990) | "Lyricism" in communication | Explainable by dispassionate discourse |
| Beth Hirschman (1991) | Dark side of consumption | Behaving in their self-interests |
| Debbie John (1997) | Perspectives from children | Adults |
| Joe Alba (2000) | Mindless, thoughtless behaviors | Thoughtful and capable |
| Marsha Richins (2001) | Big picture, social influences | Non-social |

TABLE 3
FACULTY PRIORITIES AND HIDDEN EVENTS

| FACULTY PRIORITY | HIDDEN EVENT |
|---|---|
| Analytical thought | Fantasies, Feelings, and Fun |
| Achievement | Foolishness, Futility |
| Obsessiveness, Compulsiveness | Fickleness |
| Self-Control | Freud-ish notions (sub-, non-, pre- conscious) |
| Independence, autonomy | Family, Friendship, Fellowship |
| Competence | Frailty |
| Skepticism | Faith |
| Ambition | Free time |

ing research funds to sponsor research in under-represented areas. Examples of such existing efforts are the Sheth dissertation proposal grants to fund research on public purpose and international topics and David Mick's recent presidential initiative on Transformational Consumer Research.

As an organization, I'd like to see us find ways to support nontraditional doctoral students so that we get a wider representation of traits and lifestyles participating in consumer research. The call for increased representation of various demographic minorities is not new. What I am suggesting goes beyond demographic issues such as ethnicity and gender. We should strive for psychographic diversity as well, e.g., lifestyle, personality, family roles, and subcultures.

We also need to think about the institutional obstacles that hinder the transfer of the creative, diverse content typically included in the ACR conference to our top journals. One possibility is to seek more diversity (demographic and especially psycho-

graphic) among the people who serve in gatekeeper roles. We need to implement and formalize the suggestions made by John Lynch in his presidential address (1998). We might also brainstorm ideas for mentoring newer scholars who have trouble articulating how their ideas and perspectives fit into established bodies of literature. Perhaps we might consider a "pre-inquiries" section to supplement the existing "re-inquiries" section of JCR.

**Colleges and Universities**

Academic freedom must remain a high priority, since it is at the very heart of what attracts bright and creative minds to the world of academia. I am not suggesting that we discourage anyone from studying conventional topics. Personally, I enjoy and highly value the freedom to study individual information processing in choice, even though it is probably over-studied. My concern is that we somehow turn off or exclude people who might naturally be inclined to study mainstream yet "hidden events" such as consumer

**TABLE 4**
SUMMARY OF RECOMMENDATIONS

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**Association for Consumer Research**
• Collect and redirect resources to provide incentives.
• Increase support for non-traditional doctoral students.
• Remove obstacles caused by myopic gatekeeping.
       Increase psychographic diversity in gatekeepers.
       Increase constructiveness and fairness of review process.
       Consider new ways to foster publication of innovative perspectives.

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**Colleges and Universities**
• Reconsider doctoral screening process.
• Increase flexibility in doctoral program requirements for non-traditional students, especially at leading universities.
• Reconsider flexible tenure-track and tenured faculty contracts.
• Support faculty who are pursuing difficult or "inconvenient" topics.

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**Individuals**
• Be aware of how judgment and decision making biases might influence you.
• Consider the people, places, perceptions, and processes that are hidden from academic view.
• Choose a topic that fascinates you, whether motivated by theory or phenomena.
• Then open that door and "Break on Through"!

---

fun, family, frailty, or faith. Perhaps we need to reconsider the screening process for potential doctoral students and junior professors. Do we inadvertently admire candidates who mirror ourselves?

We need to make an effort to understand and value our colleagues who conduct research on "hidden events." Just because the event or behavior is invisible to you does not mean the topic is not viable or meaningful. I recall one conversation about research on non-conscious affect in which my friend claimed that non-conscious influences do not exist: "I never make choices that have any unconscious or subconscious influences, so I don't think that exists. That is, not that I am aware of." Yes, indeed. We need to realize that our colleagues who conduct research on hidden events are likely to encounter such resistance, and thus have to overcome extra obstacles on the path to success. I argue that we need to be more flexible in how we provide rewards and support for people who pursue difficult and controversial topics. At the minimum, we should recognize that the resistance encountered will likely slow down the publication process.

We need to be more flexible with our doctoral student admissions and faculty recruiting. In most doctoral programs, we try to recruit students with work experience and an MBA. Thus the pool of attractive applicants is reduced to a pool of people who are in their mid-twenties or older, who have a record of high achievement, and who are in a position to drop everything they are doing for five years to work 24/7 for a minimal stipend. Obviously, this is a not a typical group of people. One might argue that they are not even the smartest group of people. We might be able to infuse our field with energy and new ideas if we found a way to attract smart, productive, and creative people to our doctoral programs while they are in a more flexible stage of life. We might also reconfigure our expectations of doctoral study to coexist with life outside the university—for example, flexible stipends for flexible work assignments.

Similar issues exist for faculty, especially at the assistant professor rank. The early years on the tenure track coincide with the years in which family responsibilities are most demanding. When I look back on the years when my children were small, I vividly recall how stressful it was. Now I see the next generation of young professors facing the same exhausting dilemmas. From my current vantage point, I do not understand why universities have to be so inflexible about the tenure path. I can imagine many alternative policies that would maintain, if not enhance, scholarly lifetime productivity without abolishing the tenure system. For example, why not allow people to opt for part time teaching (and commensurate salary) while still maintaining tenure-track (or tenured) status? Why not revisit the typical policy of stopping the tenure clock when one spends a visiting year at another university (fire up that ivory motor home)? Why not accomplish the same clock-stopping result without uprooting the professor and his/her family for a year? The professorial lifestyle is naturally attractive to people seeking flexibility (recall, you can work any 80 hours you choose). If we were better able to deliver on the promise of flexibility, we may be able to foster a more diverse and community-oriented set of scholars than we now have.

**Individuals**

Finally, let us consider what you can do as an individual. The JDM literature indicates that people are generally less subject to judgment biases when they are made aware of the potential for bias. So, my advice to you is to think carefully about all your research options. Identify the various options, the doors I mentioned at the beginning of this address, that you could open. Consider your knowledge, your experience, and your skills, and also consider where you might be able to make a unique and novel contribution. Consider the people, places, perceptions, and processes that are hidden from academic view. You may find some doors that were previously overlooked, whether in plain sight, behind a screen, or around the corner. And if you do, select the one that most inspires you to *Break on Through* (The Doors, 1967).

**Acknowledgements**

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# ACR Fellows Address

Donald R. Lehmann, Columbia University, USA

When it was announced at an ACR luncheon that I had been named an ACR fellow, my first reaction was surprise. In fact, my first words were "are you kidding me?..." My next reactions were:

- Does that mean I have to give a talk?
- Who wants to hear from the last generation?
- What will I say?
- What will I say at 8 am?
- I guess this means I have to go to Memphis.

and

- I'm glad I didn't skip lunch.

Awards are subjective and often end up making far more people unhappy than happy. This is especially true after the first few recipients whom essentially everyone agrees are worthy of the honor. I can easily think of others who are at least as deserving as I am, as I'm sure many of you can. Ironically, I was part of a decision to stop naming fellows several years ago precisely because of the controversy and unhappiness they were beginning to engender. I recall Russ Belk giving a wonderful discussion of the downside of awards at an ACR luncheon several years ago which I recommend highly.

When I look at the list of past fellows, and the record of my co-inductee Kent Monroe, I see real scholars, i.e. researchers with deep knowledge of the field and sustained contributions. By contrast, I see myself as more of an engineer/problem solver who has worked on a broad variety of problems and methodological approaches. While after the fact I can tell a story about how the work is related, my research has been fairly unsystematic. Nonetheless, I am flattered, humbled, and delighted to have been named a fellow.

The talk I prepared (and for which I realized my notes were on the kitchen table in New Jersey as I prepared to deliver it) and this paper have three main parts. First I share some (mercifully) brief memories of ACR past. Next I discuss some research opinions which seem worth expressing. Third, I discuss some ideas for future research directions, not including work on fluency, regulatory theory, and networks. Note that these three areas have been major contributions to the field and will continue to be. (I certainly hope so in the case of networks since I am working on several papers in this area.) My point will be that these areas are "taken" so while they are safe paths to follow, it is hard to make major breakthroughs in them, especially when others have the lead. (To use a sailing analogy, you generally can't win by following along in the middle or back of the pack. To win, at some point you need to tack to clear air.) I then close with some more personal thank yous.

## MEMORIES OF ACR

I remember the first ACR "mass" conference held at the University of Massachusetts and attended by about 90 people including modelers, practitioners, and public policy makers. (Sadly we have driven most of the last two types away over the years.) In addition to sessions, essentially the entire conference moved to the Lord Jeff tavern to talk and consume beer. (Beer seems to be a common theme to events at ACR including Bettman, Lutz, Scott, Tybout, etc. at the "Saturday Night Live" parties and the "outsider" events promoted by Lichtenstein et al.) There was definitely a spirit of fun and informality (occasionally interrupted by hotel security). There was also a series of football games played at venues including the University of Cincinnati's practice field, parks in Atlanta and Florida, and the front "yard" of the O'Hare Hilton. In fact, the last game ended when someone ran into a cab trying to catch a pass. No one could find the "official" football the next year.

In addition to fun, the sessions were sometimes intense. I recall one night session (i.e., after a reception where beer was served) when a heated discussion emerged about, as I recall it, the Fishbein model and the halo effect, pitting the Florida school (led by Joel Cohen) against some Purdue types. Some observers were shocked both by the strength of opinions expressed and the fact that several of the protagonists proceeded to go out together for more beer when the session ended. I also recall some poor doctoral student "winning" one of my leisure suits (yes, the old polyester type, this one a fetching green and white plaid number) as a prize in a trivia contest. So my memories of ACR include both intellectual dialog and sophomoric fun.

## RESEARCH OPINIONS

Fortunately or not, I have been around long enough that many of my opinions are in print. In particular, several are contained in my 1995 ACR Presidential address which was published in the proceedings of the Minneapolis Conference (Lehmann, 1996). As I looked back at it (in "archaic" hard copy form), I found most of the points still seem relevant so I could just say "ditto".

I will not use fancy graphics (or Power Point) to make my points. My idea of visual aids is more like the stick figure cartoons I drew at midnight before leaving to give my Presidential Address when I realized I had no visuals and couldn't play the piano or show interesting pictures. (Someone decided to include them in the proceedings so you can see them if you are that curious.) In fact, I think Power Point etc. damages learning (which is why some people and organizations ban it). Consider also the following: which would be considered the cool/edgy communication medium if text based email had come before phone mail?

Punam Anand, who kindly introduced my talk, has taken to calling me a Luddite, a title I readily accept. When a current MBA student in their evaluation referred to me as "old school", I accepted that with pride. I don't get what I call generation text message/virtual reality that thinks relationships are about thumb-enabled poor grammar multitasking and public self presentation. (In the words of a song from Bye Bye Birdie, "what's the matter with kids today?"). So if you read on, do it for the ideas, not the sizzle.

### Opinion 1: Consumer/Customer Insights *are* Practical

I don't see a necessary divergence between rigor and relevance. If I am going to work on something, I prefer it to be something that might interest other people beyond a small group of like-minded researchers. Obvious sources of relevance include the MSI priorities based on company concerns, and social and public policy issues. Beyond these, however, how consumers behave is the fundamental unit of knowledge in for- or not-for-profit business. The reason much work in this area is thought to be irrelevant is that we, by either choice or inability, don't recognize, identify, and communicate its relevance.

### Opinion 2: Easy Does it on Theory

My observation is we have almost a fetish about theory. One of the most damaging comments a reviewer can make is "you have no/weak theory." Operationally, having theory generally means adopting something which has been published, preferably in a

prestigious outlet outside marketing (e.g., psychology, economics). While this has the advantage of integrating knowledge, it also stifles innovation. The first researcher in an area by definition works without a well established theory. To reviewers who ask "where's the existing theory?", one wants to scream "There isn't one. It's new, stupid".

I'm certainly in favor of understanding, explaining, and predicting. Developing or utilizing a theory to do this is an excellent goal and a desirable characteristic of research. However, it isn't a deity (notice I refer to it in lower case) and shouldn't be (and isn't) a requirement for every paper. Unless someone (Brahe) hadn't painstakingly measured (described) the movement of planets, Kepler (his student) would not have come up with his laws (aka theory). The criteria for acceptance should weight aspects such as is it interesting and will it stimulate future research at least as much as whether data fit a pre-existing theory. A particularly pernicious effect of requiring theory is that many papers are constructed after a search for a theory that matches the results. I don't see any problem with post hoc theorizing; the problem is the (at best a-ethical) practice of presenting the theory as having preceded the data when it did not.

More broadly, it is unlikely that a single theory explains the behavior of all individuals or even a single individual all the time (even F=ma has its limits). Rather behavior arises from multiple influences. Thus it would be useful if more of a competing theory/relative impact of theory perspective were adopted.

### Opinion 3: (Tear Down the) Towers of Babel

Like most disciplines, as it matures ACR is developing into increasingly specialized sub-fields. Yet innovations often come from outside a field or at the intersection between them. What we need are more studies which integrate multiple perspectives. As an example, at the 1995 ACR conference there was a session entitled "Another Cup of Coffee" which had a qualitative researcher, an ad agency person, a game theorist, an empirical data modeler etc. discuss coffee consumption. The result was a much broader and deeper understanding of this common product. We need more such events.

In terms of writing and presentation, complicated does not lead to communication and is not "sophisticated". While it is efficient to use specialized language and short-hand when communicating among a small in-group of experts, this type of language essentially poses an unnecessary "barrier to entry" to others. This is exacerbated by the tendency to use words in a way that is not closely tied to their plain English (or French or Spanish or …) meaning. Put charitably, we show too little concern for potential consumers of our written and spoken output. In the limit, this means we end up talking to ourselves.

Many reasons exist for this including lack of real understanding, self presentation, and intentional obfuscation, none of which are very appealing. A particularly aggravating custom is to justify by reference rather than reason. Importantly, not everything that has been published is correct. For example, I published in a prestigious journal that the best next study in a meta-analysis would "obviously" be one which fills empty cells. It turns out this is simply wrong: basically the next best study takes the typical study and changes about half of the predictor variables (Farley, Lehmann, and Mann, 1990). Even if what was published is correct, it should be possible to give the gist of the logic along with a reference. (This affliction is not limited to CB researchers. Quantitative modelers often use phrases such as "without loss of generality" and "it is easy to show that". If it is easy, then why don't they just show it?) Further, for those extrinsically motivated, it turns out that award winning papers are slightly less complex (Sawyer, Laran, and Xu, 2008).

### Opinion 4: KISS

The field risks overdosing on complicated analyses. Generally any reasonably strong result is apparent from the means, correlations, and OLS regression. Of course one can construct cases where more complex procedures (e.g., LISREL, HLM, HB) are at least theoretically more appropriate. On the other hand, such procedures, especially when applied blindly (e.g., "I analyzed the data with PROC …"), make assumptions and slant analyses in ways that are not always recognized. For example, a structural procedure which attempts to maximize links between constructs to some extent captures random correlations in the data (aka error) and overstates the relations. Additionally, by allowing for unique weights on item–construct paths, it makes generalization difficult since the next study invariably uses different weights. There is a lot to be said for using simple averages of items to measure constructs.

### Opinion 5: In Search of Empirical Generalizations

The notion of generalizability is essential to knowledge whose progress resembles an open-source mosaic. What is the point of doing a study if the results only apply to that population, time period, setting/covariates, etc.? (As an aside, the search for "up to date" teaching materials is self-defeating; if the only thing that is relevant is what's current, then what you are learning is irrelevant for the future.) Results, even when generalized, feel incomplete without an explanation (i.e., theory). On the other hand, theory without generalized results is, well, just theory. Meta-analysis (defined as the cumulation and integration of results and not as a formulaic procedure to be applied in a rigid manner) is the epitome of empirical generalization. It allows one to "test" theories and their limits and facilitates making new theoretical conjectures (e.g., predicting behavior in a combination of conditions which have not been studied previously). Since no single study (or paper with multiple studies) can "prove" anything given the myriad covariates involved, the goal of research can be essentially viewed as to prepare for future meta-analyses.

### Opinion 6: Seven Years Before the PhD?

When I entered the field, there was limited marketing literature. *The Journal of Retailing*, *The Journal of Marketing*, and three years of the *Journal of Marketing Research*. Consequently I was able to go from bachelor's to PhD in under three years, and through the 1980's three years was the norm for Columbia PhD students. Obviously the field is now much more complex so it is natural for programs to be longer. Still I see no reason why a motivated student can't write a dissertation in four years. If students choose to stick around for an additional year to work on research, prepare for teaching, etc. as a post-doc, fine. Just remember that a) there is diminishing marginal learning going on (at least from me, after four years you are unlikely to learn much new), b) the longer the program, the fewer highly motivated students will be interested in it (the price effect), and c) our job is to create independent researchers, not research dependents.

## BIGGER IDEAS

Progress toward knowledge definitely includes so-called incremental studies, without which empirical generalizations would not be possible. Still there is much to be said for big ideas (discontinuous innovation) even though most of them will fail, at least in the short run. (Translation: don't expect it will be easy to get them published.) Here are five potential ones.

### Idea 1. Basis of Utility

Generally we measure utility in monetary units, partly because they are convenient. Yet Bentham and others define utility as the

pursuit of pleasure and the avoidance of pain, making money at best a means to the end. Why not, echoing Becker's work decades ago, define utility in terms of quality time, i.e., time when you are healthy (something of increasing interest as one ages)? Clearly time is more important than money. Consider the following: if I have infinite time, I can work long enough at even minimum wage and earn infinite money. On the other hand, infinite money will not lead to infinite time/life. Reconceptualizing utility this way could produce some fascinating new insights.

### Idea 2. Consumers as Multiple Selves

Recently there has been considerable interest in assessing heterogeneity (cf. Hutchinson, Kamkura, and Lynch, 2000), partly due to the availability of hierarchical Bayes and hierarchical linear modeling software. However, with exceptions (e.g., work on variety seeking), within consumer variation has received less attention. Yet consumers often behave in inexplicable ways (Bass, 1974). Understanding what triggers a consumer to act differently seems fertile ground for both a grand theory and specific research.

### Idea 3. Generalization Shifting

While some generalizations endure, many shift over time and place. Consequently it may be worth studying what makes an empirical generalization stable and what tipping points exist that require its modification.

### Idea 4. Linking Firm Decisions and Consumer Welfare

Generally quantitative modelers focus on optimal firm decisions (e.g., to maximize profits) while many consumer researchers are concerned about consumer welfare (surplus) per se. Yet the two are clearly linked. Why not at least measure and report the welfare implications of firm and market decisions? For example, with Praveen Kopalle, I linked optimal new product claims to public policy implications about when regulation might be needed (Kopalle and Lehmann, 2006), and we are currently working to see the impact of competition on ad claims, prices, and product quality (Kopalle and Lehmann, 2008). Adding a "customer impact statement" can enhance the value of many modeling oriented papers.

### Idea 5. Choice under Restrictions

In June, 2007, a fairly diverse group met for several days at the Wharton Choice Conference to attempt to examine an interesting perspective, the impact of restrictions on decisions (Botti et al., 2008). We came to realize that restrictions are endemic to all that we do. They come in a variety of forms (e.g., rigid vs. soft suggestions, internally vs. externally unposed, widespread vs. targeted, short vs. long run, and conscious vs. not). Furthermore, restrictions interact with both individual characteristics (e.g., reactance) and goals. The resulting behaviors include grudging compliance, "creative bending" (interpreting a constraint either literally or based on its spirit in order to maximize flexibility), rebellion, and goal alteration (e.g., the child sent to his room who, before slamming the door, shouts "Good. I've been wanting to play in my room"). We put these concepts together in a broad-range flow chart model in the spirit of the model of Howard and Sheth (1969). Overall this seems to be a rich and fruitful area for both theoretical and empirical work.

### THANK YOU

So far I have reminisced, ranted, and predicted. In closing I want to give thanks.

The study of both consumers and careers is about people. None of us would be where we are today without lots of help from many sources, some of which is not recognized by either us or the sources.

Family, friends, teachers, neighbors, and random strangers have all contributed to who we are and what we have.

I would not be an academic if Professor Thimm at Union who, as I was preparing to accept a job writing software for GE in Pittsfield, Massachusetts, hadn't told me about fellowships available for attending graduate school and urged me to go to Purdue. (A big part of my support was from a National Defense Education Act fellowship designed to promote education and science in the post-Sputnik era. How much safer that makes one feel is unclear.) I would not know what I know without the teachers at Purdue and my doctoral committee (Bass, Pessemier, Schendel–who suggested I interview at a school I was not seriously considering, Columbia - and Jacoby). I would not have been as productive as I have been, had I not arrived at Columbia (after close to a coin flip decision) and found Farley, Howard, and Morrison there. I am extremely fortunate to have had a sensational set of colleagues at Columbia over the years and at the schools I have visited (Dartmouth, Cornell, Michigan, NYU, Wharton). I have been strongly influenced by my time at the Marketing Science Institute and the various professional associations I have belonged to. And I have a special place in my mind and heart for the doctoral students I have been privileged to work with. They have motivated me, taught me, carried me on projects (notice I still work with them), and become my friends.

I thought of closing my address by putting up a slide which listed the people who have helped me. I did not for three reasons:

First, I'm lazy and it was a difficult task
Second, I did not want to leave someone out
Third, I realized that to put all the names on a slide would make the print so small that it would be illegible.

So in closing, let me ask each of you to perform a thought experiment. Close your eyes and start to construct your own slide of who you would thank. Don't limit yourself to just academic colleagues. I think of family members, in particular my wife who for over 45 years has typed my manuscripts and who was the entire (unpaid) administrative support staff for Marketing Letters during its first seven years.

When possible, build the slide into a collage of pictures, sounds, and sights as well as names. Look at the result and realize how extremely fortunate we all are and that it is people (and not papers published or emails) that matter.

Pass it on.

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# ACR and ME
Kent B. Monroe, University of Illinois at Urbana-Champaign

In this paper, I will sketch my involvement with consumer behavior research and the Association for Consumer Research throughout my career. This presentation is divided into three time periods that represent stages of my research career.

## EARLY RESEARCH

As background, my undergraduate degree from Kalamazoo College was in economics although I had an undergraduate minor in psychology along with an undeclared major in mathematics. As a doctoral student at the University of Illinois (1963–1968) I was interested in the emerging area of quantitative marketing. Thus, my doctoral training was as a modeling researcher. In fall 1963 my first marketing graduate course was in Marketing Models and we had a term paper assignment: develop a model of a marketing phenomenon. I told the professor that I would like to develop a model of consumer behavior. However, at this time there were no published models of consumer behavior as we know them in 2007. The consumer behavior or buyer behavior models of Howard and Sheth or of Engel, Kollat and Blackwell did not come until the end of the 1960s! He recommended that I could start by looking at a recent dissertation at the University of California–Berkeley by Franco Nicosia. Anyway, undaunted I proceeded with the project and did complete the paper by the end of semester. Two years later, 1965, on my marketing comprehensive examination, one of the questions asked me to compare and critique three models of consumer behavior. Obviously, I passed, but not without some trepidation and wondering what I had gotten myself into.

Consistent with my orientation, my doctoral dissertation was a model for product-line pricing (Monroe 1968). It has no data, which is strange for a marketing dissertation as the field is so empirically oriented. While developing the model I was struck by the number of behavioral assumptions that I had to make explicitly. (My advisor insisted that I list every assumption that provided a foundation for the model.) Indeed, mid-way through the dissertation I even thought about doing several experiments rather than finish the model building. Fortunately, David Gardner kept me on track by advising me to do the experiments later.

### Buyers' Logarithmic Subjective Price Scale

One of my characteristics as a researcher is to discover relevant knowledge outside my discipline that could be useful in my research. While working on the dissertation, my reading led me to psychophysics and learning about how people respond to physical stimuli, the underlying functional relationships of the measures of the intensity of the physical stimuli, and people's responses to them. In my dissertation and the article based on the dissertation (Monroe 1971a), I proposed that the functional relationship of price acceptability was logarithmic based on Weber's law and Fechner's adaptation of it. The implication of this proposition for understanding buyers' perceptions of prices and price differences is that the underlying *subjective price scale of buyers is logarithmic*. This proposition was the basis for my early post-doctorate research.

### Validity of the Acceptable Price Range Concept and Estimating Reference Prices

I accepted an offer as an Assistant Professor of Marketing from the University of Massachusetts-Amherst beginning September 1968. They had just completed building a behavioral research lab in the business school and had hired M. Venkatesan as a marketing faculty member. He had studied at the University of Minnesota under Bob Holloway, who was a pioneering marketing experimental researcher. Ven helped me with my first set of experiments. When I arrived at UMass I learned that Harry Helson was in the psychology department. He also helped me with my first experiments applying his adaptation-level theory (Helson 1964) to behavioral pricing research.

As mentioned earlier, I was not trained in experimental techniques or procedures. When we conducted our first experiment, I learned a first rule in research: "Make sure the participants know 'how' to respond, not what they should say or do." We had a simple study to determine how people's reference prices change (adapt) with successive exposure to prices for a product. So we developed scenarios for products that college student participants were to assume they were interested in buying. Using a slide projector, we showed them a price of a product on the screen, and they were to do three things: (1) write the price down on the response sheet, (2) evaluate that price for the product on a seven-point scale of expensiveness, and (3) indicate whether they would be willing to buy at that price, yes or no. The first time we ran the experiment, the students were very confused as to what they were supposed to do. So, we started each session with a "training" procedure and guided them through three trials. The way we set it up became what is known today as "priming," although I was not aware of that term until years later.

We then ran the study at low and high prices for eight products, in three series of prices: descending (i.e., prices became sequentially lower with each trial), ascending (i.e., prices became sequentially higher with each trial), and random. We later repeated the study adapting the own-category sorting experimental method with high school students. These two experiments empirically established (1) that the concept of acceptable price ranges was valid and (2) that we could estimate participants' reference prices (adaptation levels) across the products. The results show that we obtained similar upper and lower acceptable price limits for the different products using two psychophysical analytical techniques and the own-category sorting experimental method (Monroe 1971b).

### Effects of Sequential Exposure to Prices

We used adaptation-level theory as the foundation for our reference price research. Adaptation-level theory postulates that individuals' responses to stimuli represent modes of adaptation to three classes of cues: focal, contextual (background), and organic. This adaptation process results in behavioral responses to the stimuli that may range from rejection to acceptance with a neutral area of indifference in the transitional regions between rejection and acceptance.

In the context of the research we did, the theory leads to the hypothesis that if a series of prices are presented for judgment in order of increasing magnitude, the stimuli in the series will tend to produce higher categories of judgments than if the series were presented in order of decreasing magnitude. Consequently, extreme prices (high or low) presented first in a series of price stimuli anchor price perceptions, thereby pulling the reference price (adaptation level) toward the extreme end and resulting in depressed or accentuated price judgments for the ensuing prices that the individual sees.

The sequential results—ascending vs. descending—established that the same price for a specific product would be evaluated as less expensive if participants had evaluated higher prices first than if participants had evaluated lower prices first. This study and analysis was submitted to the *Journal of Marketing Research.* However, the reviewers did not understand the multivariate technique we used—profile analysis—and thought that using repeated measures meant we had non-independent observations. Of course, that was the research objective. Eventually, we presented the findings at the 1973 Association for Consumer Research Conference (Della Bitta and Monroe 1973).

### Association for Consumer Research (the beginning)

Going back to 1969, research in consumer behavior was gaining strength and many researchers were feeling frustrated at the perceived lack of outlets for their research. So Jim Engel organized a meeting of consumer researchers at Ohio State just before the AMA Educators' Conference in Cincinnati. Two important results of that meeting was the resolution to form a new association and to hold a conference on consumer research in August 1970. Since the AMA Educators' Conference was in Boston it was decided to hold the first open ACR conference at the University of Massachusetts immediately preceding the AMA conference. Venkatesan had attended the Ohio State meeting and was persuaded to be the conference chair. I attended that first ACR conference, and the first business meeting of the new association. Since then I have missed only one national (North American) conference.

### *Journal of Consumer Research* Begins

As noted above, consumer researchers were frustrated by what they perceived as a lack of opportunity to publish their research. Another initiative was to begin a new major research journal. The first issue of the *Journal of Consumer Research* came out in June 1974 and I published my first *JCR* article a year later (Monroe and Guiltinan 1975).

### The Effect of Brand Knowledge and Brand Familiarity

At the same time, I was learning another lesson about conducting experiments. In 1970, relying on women from local organizations as participants, I conducted research exploring the role of familiarity and knowledge on price perceptions and preferences. Using a paired comparison methodology, the mixed design was a 3 (products) × 6 (brand familiarity and knowledge) × 21 (prices, repeated measures). Using pre-measured brand familiarity and knowledge ratings, we ended up with some very unequal cell sizes. At the time there was no computer software available to analyze such a data set! So I designed the analytical procedures and hired a Fortran programmer to write the program for the analysis. It worked out, but it was seven years from beginning to publication! The article that documented the findings was the first in consumer behavior to consider the role of prior knowledge and brand familiarity on preferences and how price influenced these choices (Monroe 1976). The lesson here was to keep your experimental designs simple and not get into difficult data interpretation issues.

### Buyers' Subjective Perceptions of Price

In the early 1970s, Hal Kassarjian and Tom Robertson were preparing for the second edition of their consumer behavior readings book: *Perspectives in Consumer Behavior*. They asked me to write a chapter on perception with consumer behavior applications. So with the help of an undergraduate student I wrote a review of behavioral research in pricing: "Buyers' Subjective Perceptions of Price." The first draft was 90 manuscript pages long! (Keep in mind

that there was very little extant research at that time!) Anyway, they liked it and suggested that I cut it in length and send it to *JMR,* and they would get permission to reprint it for their book. That article (Monroe 1973) laid the foundation for behavioral research in pricing, which has grown from that beginning.

## BROADENING THE BEHAVIORAL PRICING RESEARCH PROGRAM

### Comparative Price Advertising

I moved to Virginia Tech in 1977 to establish a marketing department there. In 1979 I was asked by the Federal Trade Commission to design a national study on the effect of comparative price advertising on consumers. After meeting with officials in Washington we designed the study and the procedures. However, in 1980, the FTC research budget was cut and most of the research funds went into the children's and TV advertising project and the national study was shelved. However, we conducted the study and a replication at Virginia Tech (Della Bitta, Monroe, and McGinnis 1981). The comparative price advertising research forced us to recognize the distinction between an internal reference price and an external reference price supplied by the seller: "Regularly sold for $xxx, now on sale for $yyy" type of ads. Another idea emerging from this research was the recognition that consumers' behavioral intentions after exposure to a comparative price advertisement were mediated by their perceptions of value.

### 1980 ACR Conference

While the Department of Marketing at Virginia Tech was taking shape, I was the program chair of the 1980 ACR national conference in Washington, D.C. The Dean insisted that I become the head of the department beginning July 1980 and the ACR conference was in October. This was the first time that I realized that I was not immune to stress and its effects. That conference was noteworthy for several reasons. We had over 400 attendees at the conference and the first two ACR fellows, John Howard and James Engel were officially recognized and they gave the first fellows' talks at the conference.

### Integrative Research Reviews (Meta-analysis)

In 1982 I began reading about integrative research reviews, often referred to as meta-analysis, because I wanted to learn about this technique. Now, one of my strategies to broaden my knowledge and skills is to do it. Together with a doctoral student, R. Krishnan, we decided that there were a sufficient number of the price-perceived quality studies for us to do a meta-analysis. We read all the price-perceived quality studies we could find, coded them, often arguing about some of the ways to interpret what the researchers had done. We concluded that despite the number of studies that had been conducted on the price perceived-quality relationship, the construct was not well conceptualized and there was a need for a conceptually based program of research (Monroe and Krishnan 1985; Monroe and Dodds 1988; Rao and Monroe 1989).

### Price-Perceived Quality-Perceived Value

Another doctoral student and I presented our first price-perceived quality-perceived value paper at ACR in 1984. We presented a simple conceptual framework: perceived value is the result of the tradeoff between what consumers perceive they receive relative to what they perceive they give up (Dodds and Monroe1985). As noted earlier, our recognition that consumers' perceptions of value mediated their behavioral intentions emerged from the comparative price advertising research and the meta-analysis of

the price-perceived quality research studies. If buyers use price as an indicator of quality and also an indicator of sacrifice, then price has both a positive effect and a negative effect on perceived value. Valarie Zeithaml was the discussant at that session and she borrowed our model slide to summarize her remarks on the papers that had been presented. The model was later used in her award-winning article on perceived quality (Zeithaml 1988). Dodds tested the model in an elaborate experimental design and empirically estimated the relative strength of brand name, store name, and price on buyers' value perceptions (Dodds, Monroe and Grewal 1991). And the same model was used by another doctoral student in his dissertation. His JCR dissertation article was a Ferber award winner (Rao and Monroe 1988).

Thaler's work on mental accounting extended prospect theory and has influenced behavioral pricing research (Thaler 1985). In that article Thaler developed the concept of transaction utility. He argued that overall utility to a consumer is the weighted sum of acquisition utility and transaction utility. In an ACR paper, we translated his notions into the concepts of acquisition value [buyer's reservation price (maximum willingness to pay)-the selling price] and transaction value [buyer's reference price-selling price] (Monroe and Chapman 1987). Initially we accepted the notion that these two value concepts were independent constructs. However, on closer thinking it became clear that they cannot be independent since the selling price is a part of each concept. Dhruv Grewal's dissertation supported our arguments showing that perceived transaction value is an antecedent to perceived acquisition value (Grewal, Monroe and Krishnan 1998).

### Memory for Price Information

At the same time research on memory of price was getting attention. Earlier (and also later) research had primarily relied on recall tests to measure "price awareness." However, I did not believe that recall tests were the best way to get at this issue, particularly since most of the research was on grocery products. I felt that in the situation of groceries, especially, incidental learning rather than intentional learning was more likely and that a recognition test would be more appropriate than a recall test. Working with a student on her master's thesis we presented these ideas at the ACR conference in 1985 and her thesis actually showed that the recognition test provided more indications of price awareness (Monroe, Powell, and Choudhury 1986). A doctoral student who was working with me then was intrigued with these ideas and in his dissertation he administered recall, recognition and rank order tests to housewives in a simulated grocery shopping situation (Mazumdar and Monroe 1990; 1992).

### RECENT AND CURRENT RESEARCH

### Price Fairness

Returning to the University of Illinois in 1991 brought me back to my research roots. No sooner had I arrived in my new office and in the midst of a sea of boxes for both *JCR* and myself, a doctoral student appeared asking for advice for a research paper on price fairness. Among the questions we asked was when do perceptions of price unfairness occur and how do they influence behavioral intentions? Consistent with the price-value model discussed above we postulated that a price that was perceived to be unfair would lead to an increase in consumers' perceptions of sacrifice, thereby reducing their perceptions of value and their behavioral intentions. During a session at the 1993 ACR we presented a paper outlining the rationale for this proposition. A lively discussion ensued and in her dissertation we obtained empirical proof supporting our arguments (Martins and Monroe 1994; Martins 1995). Since then we have pursued a research program on price fairness that has led to several ACR presentations and other publications (e.g., Xia, Monroe, and Cox 2004; Monroe and Xia 2005; Herrmann et al. 2007; Kukar-Kinney, Xia, and Monroe 2007).

### Conscious and Non-conscious Processing of Price Information

During August 1993, the University of Illinois hosted AMA's doctoral consortium. One evening after a long day of sessions I quietly tried to leave the after hours social to go home and get some sleep. However, as I was leaving a doctoral student from the University of Toronto approached and asked if she could talk with me for a few minutes. Angela Lee, the co-chair of the 2007 ACR conference, introduced me to the concept of implicit memory. As I fought the urge to close my eyes and go to sleep, her passion for the concept resonated and I realized that there was an opportunity to do some new research on memory for price information. Our collaboration led to an important article on the processing of price information (Monroe and Lee 1999).

In many respects, this research on price memory and numerical cognition reignited my early research on consumers' price perceptions. This expansion followed two paths. In one path we further explored issues related to nonconscious perceptions and awareness including the effects of subliminal processing of price information (Adaval and Monroe 2002; Xia and Monroe 2007). The other path expanded our continuing inquiry into how consumers' process price information and make value judgments (Suri and Monroe 2003).

### Compulsive Buying

Ostensibly, I "retired" from the University of Illinois and moved back to Virginia to be with family, July 2005. The University of Richmond offered me an appointment of Distinguished Visiting Scholar. There I have continued to work on research projects that had started at Illinois, but I also began a research program on compulsive buying. The early results of this program have been reported in recent ACR and EACR conferences (Ridgway, Kukar-Kinney, and Monroe 2006) and hopefully will soon appear in journals.

### MENTORING DOCTORAL STUDENTS

As might be apparent from the above overview, much of my published research over the years has been with colleagues that began when they were doctoral students. Indeed, in my first year at Massachusetts as an assistant professor I was approached by a doctoral student to be his dissertation advisor. Today, I warn doctoral students and assistant professors not to become involved early on in supervising doctoral research as it is time consuming and in some cases it is similar to one apprentice guiding another apprentice. Fortunately, no one advised me about these dangers of supervising doctoral students and their research.

As of this writing I have guided 36 completed doctoral dissertations with two others in process. It has been one of the most satisfying, and at times frustrating, professional activities that I have had. It has led to two university-wide teaching awards: the W.E. Wine Teaching Excellence Award at Virginia Tech and the Graduate College Mentor of the Year Award at Illinois. After receiving the award at Illinois, I was asked to share my approach and principles for mentoring graduate students. These principles are based on taking a positive approach even when criticizing or pointing out flaws in a student's work. (Similarly, when I was editor of the *Journal of Consumer Research* submitted manuscripts were "not acceptable for further consideration," "not acceptable in their

present form," or "acceptable for publication". They were never "rejected.")

The principles that I have tried to follow when mentoring doctoral students are:

1. *Each student is a unique person; therefore, no one approach would be adequate across students.* Some students are relatively fragile in their mental state and others are relatively headstrong. The first type of student needs frequent encouragement and should be given small steps that can be taken successively to build confidence. The second type of student can be given more flexibility in pursuing the project, but at times will need a relatively stronger set of guiding statements to get them back on the correct path when they inevitably stray.

2. *Always be positive and encouraging even when criticizing.* Always try to explain what was not correct or what would be a better approach when something is not done correctly or at the level of the student's capability.

3. *Supervise rigorously and quickly.* When I was a doctoral student the initial draft of my dissertation proposal was in my advisor's hands for almost four months before I received feedback. I resolved that my students would never be delayed because I did not provide quick and detailed feedback on their submitted work. Sometimes they would deliver a manuscript to me during the night and then go to bed. I would try to get the material back to them with detailed comments by the next day. Before email, they would drop the material at my door while I slept and I would read while they slept!

4. *Help each student to recognize and achieve his or her talents.* Somehow I have developed an ability to sense when I have pushed a student to his or her limit of capability. One student once asked me if I had ever pushed beyond that limit, or how did I recognize when it was time to stop pushing a particular student. To the best of my knowledge, I do not think that I have pushed any student beyond what he or she was capable of achieving. Partly, knowing when a student has achieved to the best of his or her talents is reflected in the next principle.

5. *Each student is a colleague and a friend.* I view each student being supervised as a current and future colleague as well as a friend. That means that I need to know not only their intellectual talents but also personal and emotional events that may impinge on their performance. Sometimes a meeting will not be about the research but about family or personal situations, or about the career they are preparing to pursue. These meetings may be in the office, at my home, over lunch, dinner, or coffee, traveling to or at a conference. Overtime, I will learn not only what their intellectual talents are, but also when to push, when to pull back, when to be demanding.

## CONCLUSION

For my annual review in 1974, the department head suggested that I move away from pricing research as I had done about all that could be done in this area. I politely, but strongly disagreed. Hopefully, this quick historical review of some of the behavioral pricing research that I have done supports my view. While my research has primarily been about how consumers respond to price information, the approach has been programmatic and has a firm foundation in various areas of human psychology. Now, 33 years after the suggestion to leave pricing research, I still firmly believe that we have a lot more to learn about how price information influences consumer behavior.

I have often been asked where I get my research ideas. Looking across the various research projects that I have mentioned in this paper, the simple answer is–from many sources. Some ideas have come from reading research articles both in consumer research and in other disciplines. Other ideas have come from observing an event or from someone asking whether I might know why something does or does not occur. Sometimes an idea comes from listening to colleagues talk about their research. Behind any research effort is an underlying desire to discover new knowledge and to consider how that information might be applied to further the well-being of various constituents of that knowledge.

Overall, my career as a researcher and teacher has been very rewarding. The friendships of colleagues at the universities I have served, in the professional associations to which I belong, and the students I have taught are highlights. As I write this paper just before the beginning of 2008, the cards, emails, and phone calls that I have received this holiday season, like holidays past, are heartwarming and cherished. I especially thank my ACR colleagues for this award and being named a Fellow in Consumer Behavior.

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# Consumer Freedom from Consumer Culture Theory Perspectives

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## SUMMARY

Freedom is among the most significant and most complex topics in human societies and personal life. It is widely believed by philosophers to have two primary conditions. First, the individual has the ability to select an option from a set of alternatives (i.e., there is indeterminacy as to the outcome of the selection process). This applies in consumer behavior to selecting brands, consumption experiences, and the entire gamut of consumer practices and actions. The second condition is that the person is the ultimate source of his or her will. In consumer behavior, the meaning and conduct of freedom is likely to vary in a number ways, along a number of dimensions, from culture to culture, from situation to situation, and from person to person. Consumers have an array of desires, wishes, intents, plans and will power, but sociocultural settings and marketplace agents also facilitate, guide, limit, and block consumers in various manners. Freedom, whether it is considered objectively or subjectively, is essential to the well-being of human beings, including their will to survive and their hope for a life worth continuing to live.

This epistemic panel at the 2007 North American Conference of the Association for Consumer Research involved a distinguished panel consisting of Robert Kozinets (York University), Lisa Peñaloza (École des Hautes Études Commerciales du Nord), and Tom O'Guinn (University of Wisconsin), and was moderated by David Mick (University of Virginia), with assistance from Ashlee Humpheys (Northwestern University). The session was organized to address the following questions:

How essential or not is the question of freedom in consumer behavior?

- What is the nature of consumer freedom?

- To what extent are consumers free, and does it change according to personal or socio-situational factors? Why? How?

- Is consumer freedom increasing or decreasing? How? Where? For whom? Why?

- What are the most important questions that remain unanswered (but are potentially answerable) in the study of consumer freedom?

A rich discussion of these questions took place on the ACR Knowledge Exchange website prior to the session. Craig Thompson approached the question by discussing theories of the dialectical relationship between human agency, and the legal, cultural, and social institutions that both enable and constrain action. Russ Belk inverted the question of consumer freedom by detailing a class exercise in which he prompts students to think about the sometimes desired limits of consumer freedom. Eric Arnould commented that freedom is a historically and culturally situated concept, and must therefore be understood within the context of an advanced market-mediated consumer culture. Nik Dholakia pointed out that the framing of consumer "freedom" may be problematic, as marketing communications often attempt engender feelings of freedom, mak-

ing true freedom illusory, and added that the critical question is whether consumers are free not to choose.

In the session, Rob Kozinets began by outlining the ways consumer research has posed the question of consumer freedom and by problematizing concepts in the question of consumer freedom such as consumers, choice, freedom, and escape. He argued that a firmer semantic grounding is needed in the form of situated definitions of these terms in order to illuminate our understandings of consumer freedom and recast the concepts of the "consumer" and "market" in the light of the classic paradigm of the individual versus society. He further argued that people may have different levels of freedom according to a variety of situational, economic, and cultural variables. Is someone as rich and famous as Paris Hilton, for example, as free as someone in poverty? The notion of escape from the market, in fact, might be peculiar to one not fully allowed access to it. People living in a commercial society thus have varying degrees of freedom and varying degrees of constraint. From this situated semantic grounding, Kozinets argued for these very big questions to be taken to a more engaged micro-question. Rather than asking if consumers are truly free, we might ask questions about the cultural and structural elements that cause us to, for example, eat genetically modified food. This grounded empirical approach, he argued, would lead us to think not only about the flow of materials and services, but also the flow of information about the behind-the-scenes production and material resources. Further examining the flow of information about the origins of commercial goods and services would draw us towards thinking about information flows and blockages in consumer culture and the extent to which an actively engaged, participatory citizenship could be efficacious in the consumer sphere. He concluded by suggesting that this approach would move consumers and researchers toward thinking in terms of consumption literacy.

Tom O'Guinn began from a populist perspective, arguing that consumer culture has been, on balance, a positive force. While acknowledging that markets can produce negative effects, he noted that markets also enabled freedom in many domains. He further remarked that concerns about consumer freedom are often rooted in paternalism, the natural effect of the third person effect in communications research. Specifically, researchers may be likely to think that they are not affected by advertising, but that it has a strong effect on others. The third person effect, he noted, is heightened by disparities in social and economic class; the larger the class disparity, the more people are likely to overestimate their own freedom and underestimate the freedom of others from lower socio-economic classes. Drawing from Michael Schudson's work, O'Guinn discussed advertising as "capitalist realism," a medium that works within the ideological framework of achieving certain ends (i.e. to encourage private consumption and sell products) just as socialist realism worked within an ideological framework aimed at inspiring collective public achievement. Advertising as capitalist realism, then, is only effective to the degree in which the ideology of capitalism is activated and accepted.

Lisa Peñaloza discussed the relationship between the ideal of consumer freedom and American nationalism and positioned consumer freedom as a modernist, individualist ideal. She noted that consumer freedom philosophically presupposes the capacity to

imagine a self-contained subject position and subjectivity that thinks of oneself in *separate* terms and as able to act with individual volition and directedness stemming from that position. Where then does this need to be free come from? Free from what? Who is deploying consumer freedom? Many immigrants from Mexico and other countries, she noted, come to the United States to pursue the very consumer lifestyle that others consider constraining. Consumer research should therefore study how people reproduce social distinctions in consumption discourses and practices to develop Transformative Consumer Research implications to potentially mitigate these distinctions. The problem of consumer freedom also poses several ideological challenges: Do consumers identify as consumers? Does US culture equal consumer culture? How far are U.S. consumers willing to go to maintain their "freedom?" Is this not what the U.S. war in Iraq is about? Future researchers, she argued, should look into our own views of consumer autonomy and the market, turning national and institutional interests and biases of the free market into questions . Peñaloza concluded by enumerating the challenges that consumer freedom poses for future work in Consumer Culture Theory, and emphasized the need for consumer culture research to situate the consuming subject both historically and culturally in studying in-group and out-group distinctions and in order to better appreciate the vast differences in consumer freedom and agency.

In the discussion portion of the session, Sid Levy then remarked on the simultaneity of freedom and determinism, using particle/wave dynamics in physics as an example. Consumers are both free and determined, he argued, because their very freedom is enabled by constraints. As an example, he cited the oppression of the 19th century Russian Czars as presenting his ancestors with the choice to move to the United States, thus further enabling him to pursue his own actions within a new structure of constraints. Determinism and freedom are thus deeply and dialectically intertwined. Social scientists, he argued, must believe in some degree of determinism because they study the effects of certain variables on human behavior. Conversely, they must also believe in some degree of agency because there is enough variation in human behavior to make it interesting to study.

Several other questions centered on the potential differences between the concepts of agency and freedom and the question of consumer desire to be free. Do consumers in certain cultural contexts seek freedom within particular constraints? When do consumers want constrained versus enabled choice? Panelists generally agreed that the optimal place to study these issues and answer specific questions about freedom is on the level between the macro study of institutions and micro study of specific consumer practices within these institutions. They also urged researchers to challenge traditional 19th century thinkers like Weber and Marx in order to develop new theory based on contemporary rather than previously existing institutions and practices of production and consumption.

Consumer freedom will continue to be among the most crucial topics explicitly or implicitly associated with continuing projects in consumer research. Ralph Waldo Emerson once remarked that life is essentially a series of ongoing selections. Few things that consumers and marketers do can avoid being a matter of choice, and thus also a matter of freedom. Moreover, as Existentialist philosophers emphasized nearly a century ago, freedom has deep ethical roots. To be free, or to affect someone else's freedom, has imposing responsibilities. Researchers need to consider more thoroughly the nature, extent, and ethics of consumer freedom in terms of the changing and unchanging conditions of our world, not the least of which involves the rise of the Internet, the emergence of new vigorous economies (e.g. China), the continuation of abject poverty in many regions, and a marketplace ideology that endorses increasing consumption in the midst of limited natural resources.

EPISTEMIC SESSION
# What Counts as Knowledge in Judgment and Decision Making?
Joel Huber, Duke University, USA
Chris Hsee, University of Chicago, USA
Drazen Prelec, Massachusetts Institute of Technology, USA
Jay Russo, Cornell University, USA
Kelly Goldsmith, Yale University, USA
Cassie Mogilner, Stanford University, USA

## SUMMARY

The objective of this epistemic session was to identify where the field of judgment and decision making currently is and in what direction the field will and should be going. Joel Huber (JH) chaired the session and Chris Hsee (CH), Drazen Prelec (DP), and Jay Russo (JR) served as panelists. Kelly Goldsmith and Cassie Mogilner served as scribes to help prepare this summary.

- *What is judgment and decision making (J/DM)?*

*JR*: The J/DM process begins with evaluation–and that evaluation has to involve some kind of multi-dimensional criterion, and it has to be personal. It is not objective, as in the objective functions of operations research. When there's a single option, we call it judgment. When there are multiple options, we call it decision making, which means picking the best one, or a subset of items, out of a group.

*CH*: There are three characteristics of J/DM: 1) about the dependent variable, 2) about the independent variable, and 3) about the finding. The *dependent variable* is usually about judgment or choice-it's obvious. The *independent variable* is close to the construct it is supposed to study. Typically J/DM study does not involve very high level constructs (e.g., self or self esteem), instead it looks at what is objective and easy to operationalize. It is elegant in its simplicity. Finally, the *finding* is usually counterintuitive or counter-normative. By the way, although some criticize that J/DM is about phenomena rather than being theoretical, I think that it is a contribution if one identifies a robust, counterintuitive and generalizable phenomenon.

- *Give examples of important J/DM findings.*

*JR*: The overconfidence phenomenon: When you ask people to give you a 90% confidence interval around some value, you find that the true answer falls outside of that confidence interval about 50-60% of the time. An economist would say that is a "problem" and would try to fix it by giving participants money to try harder to do the right thing. However, when you pay people it gets worse. In their 2006 JMR article, Meloy and Miller found that participants get worse when paid because receiving money puts them in a good mood, which in turn makes them overconfident. But that only leads to another question: why does mood influence overconfidence?

*DP*: Some striking examples are Khan and Dhar's (2006) work on anticipating a second choice, as well as Read's (2001) hyperbolic discounting. Thaler and Bernartzi's (2004) "Save More Tomorrow" takes a number of different tricks from the J/DM tool box and applies them directly to the

problem of increasing savings. In all real world cases, employees are presented with the option of joining a savings plan. The employees who were presented with the option of joining the plan were living pay check to pay check and not saving. The experiment manipulates features, where each feature is tailored to a reason why employees might make mistakes. For example, bounded rationality (don't know what the interest rate is), hyperbolic discounting (nothing happens immediately), loss aversion (reluctance to cut back on consumption), and passive procrastination (don't take action). The researchers tailor each feature to an independent problem that has been identified, which leads to increased savings and employees sticking with their plans. This is an example of how J/DM research might proceed. It may not be good science because it is impossible to say on theoretical grounds what has happened. It is more akin to what happens in a design school: tailor principles to unique situations without being able to say whether it's decisive. Thaler and Bernatzi go against the assumption here that despite the literature on biases, there is one "correct" way to save, against the fundamentalism arguing that there is a "right" decision path. However, it is hard to figure out what that right way is. Unfortunately, it is difficult to get academic credit for this type of research, but if enough prestigious people do it, then it might get picked up.

Itamar Simonson (2007) has recently been arguing that there may be "real preferences." However, then the challenge is to figure out what those true preferences are. Can the field identify true preferences? Can we do research that is consistent with the fundamentalist assumption?

*CH*: Some key J/DM constructs include loss aversion, variety seeking, Huber, Payne and Puto's (1983) asymmetric dominance or attraction effect, and Shane Frederick's (2007) X-effect showing that people predict others are willing to pay more than they are actually willing to.

- *Where is the field going, and where would you like to see it go?*

*JR*: In the 50's and 60's the field was dominated by optimal models from economics and statistics. Since around 1970, especially with the work of Kahneman and Tversky on heuristics and biases, anomalies have dominated J/DM. Parallel to this has been the process paradigm that seeks to explain the underlying causal mechanisms of phenomena like anomalies. Over time this deeper level of analysis (this process work) has become more important and will continue to be. Things that will have a bigger role in the future will be automatic vs. conscious processing (including the

distinction between what is often called System 1 and System 2), goals as drivers of decisions (including decision process goals like saving effort, being confident, avoiding regret, etc.), emotions and mood, neuroscientific approaches (both the level of analysis and methods), and process tracing methods. That is, our scientific effort will dig for deeper reasons and find more general explanations for behavior. Ideally when a phenomenon is explained at the process level, there is something that generalizes and illuminates the causes of other, related phenomena. So, J/DM research won't be just deeper; it will also be broader.

*DP*: J/DM is not an isolated discipline. Other disciplines are in areas of huge ferment and uncertainty. Psychology may be swallowed up by neuroscience. Economic theory is our basis, but what if that theory changes? The theory is very provisional because it doesn't know what is going to happen. But it is possible that neuroscience will change it. There will be more emphasis on design or craft when using the principles discovered. This emphasis on craft has been neglected, but I think it will get more attention. J/DM might start to try to understand and to map out preferences. We've ignored this mapping because we looked at preferences as a list or as not being there at all. It has not been treated as an interesting subject per se. As far as the normative question of what the field should be doing? It should be helped by neuroscience.

*CH*: First, J/DM has traditionally been "destructive." It has looked to find "faults" in normative models. J/DM should be more constructive. It should gain a better understanding of how and why people make decisions, and continue to establish general phenomena and robust patterns of behavior, regardless of whether they are anomalies or not. Second, J/DM should produce research for the real world and not just for other J/DM researchers. It's not enough for only the journal editor to like your paper. It also should have some real world relevance. Third, in terms of implications, rather than just helping marketers take advantage of consumers and make more profits, we should focus more on how it can help consumers increase their welfare, for example, increase their hedonic experience, happiness, and satisfaction. Fourth, J/DM should join other fields, including neural activity research, social psychology, etc.

• *Questions from the audience:*

**Professor Russo, what is an example of the process tracing methods you mentioned?**

It's any method that observes what happens between the input and output, and that preserves the time course of what happens. For example, verbal protocols, eye movements, hand movements and other forms of information search, etc. There is even a "joy stick" method used to evaluate reactions to TV commercials in which two joy sticks are moved, one by each hand, to reflect the positive and negative affect to the commercial moment by moment. Of course, we need to develop new methods that can offer more insight into changes in the J/DM process over time.

**What is the role of quantitative modeling and game theory in J/DM?**

*DP*: Those models that are not connected to normative notions have a precarious future. I say this by looking back at the history of math psychology and economics. Math psychology has had a problem of gaining accumulative progress because the knowledge is local and is not connected to the same tree, not associated with general principles. By contrast, consider economics and other normative disciplines. They have an easier time creating second and third generation research, with new research correcting the previous ones. This suggests the importance of later generation modeling in game theory. It's hard to turn down, but it's not clear how long a life it will have.

*CH*: It's important to train students and oneself to be able to understand math. But people should not model for the sake of modeling. You should only include modeling if it adds something to the precision of the description. In psychology in general and in BDT more specifically, we do not have to imitate economics models to build a model that can explain everything. Our field may not be ready for this. For the time being, it is fine to have various "islands" of knowledge that are true, rather than to have a big empire that is false. There is no shame in an island.

*JH*: In making a conceptual point it is important to use models, but they can be complex and get in the way of understanding. Consider putting the math in the appendix so that your argument has precision and credibility, but feature your key results in a 2x2 table or a simple graph that everyone can understand. Witness, for example, the enduring power of Tversky and Kahneman's S-shaped value function.

**How can we reach consumers? We are always seeking to appeal to marketers because that is who reads our papers.**

*CH*: We are all consumers, even marketers are. It is important that our research gets publicized and becomes known to the public. This is beyond my expertise, but I don't know whether it is possible for more practitioners and media people to attend ACR conferences, so that they can bring our research to the real world.

*DP*: Thaler's Smart Plan, "Save More Tomorrow" is a good example of how to impact consumption. Industry tries to get people to save more. If we know something then we should be able to use those principles to help design things that are better. If we know something then we should be able to beat the corporate world to the punch. The Smart Plan did.

**Joel Huber's Summary:**

J/DM is not owned by consumers, finance, operations or managers, but cuts across many fields. Its weakness is that it does not build from one positive theoretical base. As our panelists have indicated it has traditionally focused on uncovering surprising judgment heuristics and violations of economic precepts. These deviations from normative principles arise from various psychological and processing causes that are too often indeterminate. But J/DM's atheoretical nature can be turned to its advantage as it becomes more prescriptive. It can help people make deci-

sions that they are happy with, that solve their problems. That way, the findings of J/DM can be used to make the world a better place. The cost is that without a single coherent theory its papers may be harder to publish. I personally pledge as editor of *Journal of Marketing Research* to work to reduce that cost.

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# Rigor in Information Processing Research

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John Lynch, Duke University, USA
Valerie Folkes, University of Southern California, USA
Lora Harding, Northwestern University, USA
Brian Sternthal, Northwestern University, USA

## SUMMARY

Information processing research is conducted and evaluated on the basis of a set of beliefs about the strategies and procedures needed to achieve rigor. These beliefs are not universally held and they are seldom exposed to scrutiny. The goal of this epistemic session was to discuss how to achieve rigor in information processing research by addressing three main questions:

- *What do measures measure?* Do dependent variables measure processes or states? What are direct versus indirect measures and which is preferred? Is there a single best measure of a construct that should be sought or is such a goal unachievable?

- *What is the best approach to document an explanation for data?* What is the better approach to explanation: moderation or mediation, or are these approaches substitutes for each other?

- *What is the goal of reporting multiple studies in a paper? When is enough, enough?* Most journal submissions in consumer behavior now report multiple studies. What is the goal of this enterprise? And what are the stopping rules for publication? Are there philosophical grounds on which to make such judgments or are they largely a matter of taste?

Brian Sternthal moderated the session, soliciting insights from three panelists as well as questions from the audience. Each panel member took responsibility for making the initial commentary on one of the three questions. Miguel Brendl led the discussion of measures, John Lynch directed the discussion of moderation and mediation, and Valerie Folkes initiated the discussion of multiple studies. Lora Harding summarized these discussions, including the comments made by other panelists and audience members.

### What Measures Measure

Researchers and reviewers often characterize dependent measures as being one of two types–those that measure end states and those that measure process. However, psychological "process" measures are in reality only snapshots or cross-sections of causal processes and thus do not fully capture processes themselves. In this sense, all psychological measures are measures of state–states which may be proximally or distally related to the root cause. It is from these states that researchers make inferences about the underlying process. As Douglas Medin once stated, "there are no free peeks at the mind." Furthermore, it is important to note that because measures do not tap mental states "directly," process and end-state inferences are subject to measurement error and interpretive bias.

Although no measure can tap directly into the process by which individuals are responding, this does not imply that some measures are not better than others. Indeed, the best measures fully capture the construct of interest with minimal noise. However, all

measures are errorful, capturing either too little or too much information. The best measures of unconscious processes, for example, may fail to fully capture the unconscious state or may inadvertently include conscious influences. Because all measures are imperfect in some way, it is incumbent on the researcher to take steps to bolster construct validity. Thus, rather than assuming certain measures are superior to others, researchers should triangulate on constructs using multiple measures and manipulations (convergence) and distinguish their constructs from others with evidence of unique antecedents and consequences (discrimination).

Misconceptions surrounding so-called process measures also apply to manipulation checks. The purpose of manipulation checks is to gain confidence that the psychological state a manipulation was designed to induce was indeed achieved. Measures that merely confirm that research participants were exposed to the stimulus do not qualify as manipulation checks. Thus, participants' recall of a message can serve as a manipulation check for message repetition, whereas participants' specification of the number of times they were exposed to a message does not.

The analysis of measures implies that measures being developed by neuroscience researchers are no more direct than other indicators that have been used traditionally. Researchers who use neuroscientific methods must still make assumptions about the meaning of the observed brain activity and use these assumptions to make inferences about the mind. The usefulness of these measures, like psychological measures, is to converge on the construct of interest, not to serve as definitive evidence.

### Moderation and Mediation

Moderation and mediation are different methods for testing hypothesized causal processes. Moderation is an experimental technique that manipulates the mediating construct (M) in order to observe the resulting relation between distal cause (X) and the downstream or criterion effect (Y). Mediation is a regression technique that examines correlations between predicted links in the causal chain, X, M, and Y to test whether there is a partial effect of X on Y when controlling for M. Both moderation and mediation are useful methods for examining causal processes; yet, the field has come to revere mediation as the more rigorous standard based on the enormously influential paper by Baron and Kenny (1986). However, prior to the publication of Baron and Kenny, many classic articles were published in psychology and consumer research that used some clever experimental design to provide evidence of some underlying psychological process (See, e.g., Garner, Hake, and Eriksen 1956). An example of this strategy in consumer research comes from Mitra and Lynch (1995), who argued that advertising increased price elasticity through a mediator of consideration set size and decreased price elasticity through a mediator of strength of preferences. They tested theory by manipulating conditions that should moderate each of these links. For example, when choosing from among physically present brands, there is no scope for advertising to increase consideration set size, so only the strength

of preference mediator should operate and advertising should therefore decrease price elasticity even though the same advertising increased price elasticity when consumers needed to remember alternatives in order to choose them. Recently, Spencer, Zanna, and Fong (2005) have provided a general critique of the use of mediation analysis, arguing that in many circumstances, it is superior to use moderation designs like those of Mitra and Lynch to show underlying process rather than using the Baron and Kenny measurement of mediators approach that dominates our journals. Specifically, they argued that when the mediating construct is easy to manipulate but difficult to measure, researchers must rely on experimental techniques (moderation) to test their causal predictions. Insistence on mediation, therefore, has the unfortunate effect of precluding research that does not lend itself to this technique–as when the mediating process is nonconscious and not easily measurable.

Furthermore, in order to demonstrate causal processes convincingly using mediation analysis, the analysis itself must conform to certain standards. For instance, many published articles fail to adequately discriminate between the distal cause X and the mediating construct M, or between M and the criterion Y (lack of discriminant validity). In such cases, evidence of mediation can be misleading because it may be an artifact of the co-variation between measures of the same construct rather than between measures of different constructs. This is often the case when manipulation checks of the distal cause are entered into the regression model as mediators–a practice that has become fairly common. A more rigorous approach is to demonstrate that X and M (or M and Y) have unique antecedents and consequences, and thus are indeed separate links in the causal chain. Only then do mediation analyses contribute something new and informative to the research.

**Multiple Studies**

According to an informal sampling of the *Journal of Consumer Research*, the mean number of studies reported in information processing articles has risen dramatically over the past 20 years. In 1986, these articles contained an average of 1.3 studies–a number that has now more than doubled to 3.1 despite a relatively constant page length (around 12.4 pages). Although the research and the reader often benefit from additional studies, this may not always be the case. Thus, the benefits and costs of such a standard warrant scrutiny.

Additional studies may serve many desirable functions for all parties involved in the publication process. They may allow the researcher to address alternative explanations for the data, thereby bolstering the credibility of the advocated position. Additional studies may also allow the researcher to demonstrate construct validity, using converging methods to triangulate on the constructs of interest while distinguishing them from other like constructs. Editors may favor multiple studies because they desire strong evidence for the claims espoused in their journals and feel this strength is best tested with multiple falsification attempts (i.e., more chances to fail). They may also believe these studies improve the article's contribution-to-length ratio (as mentioned earlier, the number of studies has risen while article length has stayed the same). Finally, readers may benefit from multiple studies to the extent that they facilitate understanding of abstract, complex issues.

The number of studies reported, however, should not be interpreted as a heuristic for rigor. Often it seems additional studies serve no other purpose than to increase the study count of the article–a practice that in fact hurts the article's contribution-to-length ratio. As a safeguard against such practice, researchers, editors, and reviewers should consider the extent to which each additional study makes a novel, interesting contribution to the program of research. In this regard, simple replications that make no unique contribution to the paper are difficult to justify. So too are flawed first studies that are later corrected by a subsequent study. Furthermore, it is worth considering the consequences a multiple-studies standard may have for intellectual creativity. In some cases, the novelty of the findings may be sufficient to warrant publication in the absence of exhaustive evidentiary support. By inflexibly enforcing our norms for rigor, we may prevent interesting and important findings from reaching a desirable forum. Some of the most cited papers in our literature have a single very interesting study; indeed the most recent winner of the JCR best paper award (Aaker, Fournier, and Brasel 2004) reported only a single study.

**Conclusion**

The discussion in this session focused on the analysis of measurement, moderation versus mediation and the appropriate number of studies. The analysis of these issues was based on a common understanding of what constitutes rigor in theory testing research. The goal of such research is to enhance understanding of consumers' behavior by representing theory in data. This involves selecting independent variables to represent the construct of the cause and dependent variables to represent the construct of the effect. These constructs are linked in a nomological network that specifies the relationship among constructs (Cronbach and Meehl 1955). To achieve rigor in testing such theoretical representations requires the demonstration that for the moment one explanation is better than its rivals, where better implies that the preferred theory accounts for all of the data without introducing greater complexity than other explanations (Sternthal, Tybout, and Calder 1987), or when the preferred theory has a higher posterior probability given all the data compared to other theories that could explain a particular phenomenon (Brinberg, Lynch, and Sawyer 1994) . Manipulation checks, mediation measures and moderation as well as multiple studies are introduced in the service of this goal. All of these devices can contribute to rigor, but none is essential. They represent alternative and complementary means of advancing understanding.

The focus of this session on rigor in designing information processing research is not intended to suggest that this is the only criterion in designing and evaluating consumer research. Research that introduces new phenomena is also of value in its own right, and as a starting point for rigorous tests of theory.

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## SYMPOSIA SUMMARY
# Consumers' Construal Levels: Organic Manipulations and Implications for Choice
Kelly Goldsmith, Yale University, USA

## SESSION OVERVIEW

In the last decade Construal Level Theory (CLT) has emerged as a major development in social psychology, enhancing our understanding of how people represent and evaluate options (Trope & Liberman, 2003). More recent work has begun to explore the implications that CLT has for consumer choice (Dhar & Kim, 2007). While the original CLT research focused on temporal distance (Trope & Liberman, 2000), it soon expanded to encompass manipulations of psychological distance more generally, showing that variations in psychological distance cause consumers to form different representations of the same stimuli (e.g., products). CLT posits that when psychological distance is greater consumers will have a more abstract construal of a stimulus, forming a higher-level representation focused on central features. Conversely, reducing psychological distance can lead to more concrete construals, characterized by lower-level representations enriched with details (Trope & Liberman, 2003). While the first generation of research questions focused on extending what was known about how psychological distance influenced judgment or simple choice situations, the next generation extends these now established findings into the emerging areas of consumer choice and explores natural environmental variables that can prompt these different construals. For example, consumers often choose among non-comparable options or choose from products in adjacent categories. In these circumstances, factors such as the date or an event's probability may exert a natural influence on consumers' construals. As CLT has implications for the decision processes consumers use, CLT allows us to better understand these common consumer choice experiences which have yet to be explored in choice research.

In keeping with the theme of this year's conference, this session unites papers which approach this issue from different perspectives to explore how CLT can deepen our understanding of consumer choices. At a general level, these papers aim to broaden what is known about the ways in which CLT pertains to consumer choice and encourage researchers to question when our understanding of consumer phenomena may be deepened by incorporating considerations of consumers' construal levels. At a more specific level, these papers will attempt to answer three questions: How does construal level affect choice among non-comparable options and what is the consequence for deferral? Will the construal level affect adjacent category purchase likelihood? And lastly, what organic factors might manipulate construal levels in a consumer context?

The first two papers directly explore how consumers' construal levels affect choice. Kim, Khan and Dhar show the effects of CLT on choice satisfaction and deferral rates of consumers across categories (i.e., noncomparable options) and within categories (i.e., comparable options). Through a series of studies, they demonstrate that an abstract construal level decreases no-choice or choice deferral rates and increases choice satisfaction for noncomparable choices and yet has the reverse effect on comparable choices.

In the second paper, Goldsmith and Dhar address an extant void in the literature by exploring how consumer decision processes can change purchase considerations in adjacent product categories (e.g., toothpaste and mouthwash). Specifically, their research explores how a consumer's construal level of a purchase decision influences the number of items that a consumer purchases when presented with multiple adjacent category offerings. The authors find that having an abstract construal increases the number of adjacent category purchases which consumers made.

However interesting, the effect of consumers' construal levels on their choice behavior would be meaningless without ecologically valid examples of how their construals might be organically manipulated in an actual decision context. The last two papers in the session bridge this gap by demonstrating two such examples. The third paper by Kim, Malkoc and Zauberman demonstrates that the date can organically influence consumer construals. These authors find that if a date has a special meaning (e.g., Feb 14th) consumers will have a more concrete representation of outcomes to occur on that day. They further show that this change in construal level affects consumers' inter-temporal preferences and impacts impulsivity.

Lastly, Trope and Wakslak extend what is known about the practical ways in which construal level can be applied to a consumer context exploring probability as psychological distance. As probability may be an organic concern to consumers (e.g., How do I evaluate a restaurant when I have a 5% [95%] chance of getting a reservation?), this manipulation lends itself to consumer applications. In a series of studies, the authors demonstrate that consumers form more concrete representations of high probability events and more abstract representations of low probability events. After presenting his work, Yaacov Trope, one of the founders of CLT, will prompt a discussion aimed at facilitating a broader understanding of the relationship between construal level and consumer choice which we anticipate will be insightful and engaging.

This special session is aimed at furthering current interest in this area and will identify promising directions for future research. Using multiple, yet related, theoretical perspectives these four papers extend what is currently known about when and how consumers' construal levels can affect their choices. These papers employ a variety of methods and dependent variables (evaluations, choices, matching tasks and categorization tasks) to uncover how consumers' construal levels can affect choice as well as how construals can be organically manipulated. We anticipate that this session will be attended by consumer researchers in general and by members of ACR who have a particular interest in CLT, consumer inference making, and processing styles. Each of the papers to be presented is grounded in theory and includes multiple completed studies with supporting results.

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# EXTENDED ABSTRACTS

## "Choosing Apples vs. Oranges: Role of Construal Levels in Non-Comparable Choices"

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Most consumer research has focused on how consumers make choices among comparable—within product category—items. However, in the everyday life, consumers make choices between items that cannot be directly compared (e.g., a box of Chocolate vs. a CD). Non-comparable choices are intrinsically different from choices between comparable items, which can be easily evaluated on shared features and attributes. Because non-comparable options have fewer or no shared attributes, a choice between them is more effortful and requires an abstract holistic valuation of each option (Johnson, 1984; 1988). The key difference may be the ready availability of decision criteria versus the need to create a general one (Bettman & Sujan, 1987). Consumers too, add difficulty and complications to their choices by focusing on the local context of their choices rather than on the more global context (Dhar et al, 2000). In fact, we know that when individuals cannot compare and distinguish among product attributes consumers' preference for choice deferral or no-choice increases (Dhar, 1997).

But past research has shown that construal levels can systematically affect consumer choices (e.g., Trope et al, 2007) by altering the way in which individuals process and form representations of stimuli such as a product. Construal level theory (CLT) posits that depending on psychological distance, individuals will process stimuli differently and form different representations of the same stimuli. As psychological distance increases, individuals will take on a more abstract and holistic approach to the stimuli, and as psychological distance decreases, individuals will adopt a more concrete and detail oriented approach to the stimuli (Trope & Liberman, 2003). However, all the research in this area has remained focused on choices between comparable choices. We seek to examine the consequences of choosing between non-comparable options through the lens of CLT. The present research suggests that construal levels impact choice between non-comparable options by affecting consumers' ability to form an overarching decision criterion on which to compare non-comparable items. Specifically, we predict that compared to a concrete construal, an abstract construal, by focusing the individual on higher level representations of the stimuli, will facilitate a choice between non-comparable options.

While an abstract perspective can facilitate choosing between non-comparable options, approaching comparable choices with a high level abstract perspective could inhibit one's ability to compare the options on their low level attributes. Evaluating comparable products on an abstract level can make them look less distinct (e.g., the "usefulness" of two boxes of chocolate is likely to be more similar than the "number of pieces" in each box) and reduced differences between alternatives can lead to increased choice deferral (Dhar, 1997).

Study 1 tests our main proposition by manipulating construal levels to show the effects on choice deferral for non-comparable options ($20 Starbucks gift card and $20 DVD of their choosing). Participants made a hypothetical choice between these two items; the choice deferral option was presented as a cash option (Simonson & Tversky, 1992) worth half the value. The selection of a cash option would mean that an individual was avoiding having to choose between the two non-comparable options. Participants imagined they would receive their chosen option either tomorrow (near construal) or a month later (distant construal) (Liberman &

Trope, 1998). Consistent with our prediction, participants in the abstract construal were less likely to choose cash (7%) and more likely to make a choice than those who imagined receiving their selection the next day (24.1%).

Study 2 shows construal levels have an opposite effect on comparable and non-comparable choices. Participants either wrote down a goal they wanted to achieve by the end of the week (near construal) or by fall 2007 (distant construal). After the goal priming, half of the participants in each condition chose between two non-comparable options as in Study 1 and the other half chose between two comparable options (two DVDs). All participants also had a $10 cash option. As predicted, results showed a significant interaction between the construal level and type of choice (comparable or non-comparable) (p=0.01). In the non-comparable condition choice deferral was lower in the abstract (20%) than in the concrete construal (52.6%); however, in the comparable condition, participants in the concrete were less likely to defer choice (21%) than participants in the abstract construal (52.6%).

As the ability to form a holistic, overall decision criteria to compare non-comparable items is enhanced or depressed through construal manipulation, the post-choice satisfaction individuals feel may also change. Zhang and Fitzsimons (1999) found that participants' satisfaction with their choices increased as their abilities to process non-alignable differences was enhanced. Therefore in study 3, we predict and show that an abstract construal increases people's satisfaction with their non-comparable choices, but decreases satisfaction for comparable choices. We find an interaction effect on choice satisfaction between construal level and choice types and a main effect of construal on satisfaction in the non-comparable condition. Participants gave higher post-choice satisfaction ratings in the abstract (M=7.5) than in the concrete construal (M=6.5), p=.002. Study 3 also replicates the choice deferral findings from study 2.

Lastly, in study 4, we outline that compared to a low level construal, high level construal, will lead to decreased choice difficulty in non-comparable choices. In this study construal was primed by having participants write down either "how" or "why" they studied (Freitas et al, 2004). Subsequently, all participants were presented with a non-comparable choice (box of chocolates vs. video games) and asked to indicate how difficult the choice was on a scale of 1 (not at all) to 9 (very difficult). As predicted, participants found the same choice between two non-comparable options more difficult in a concrete (M=3.67) than in an abstract mindset (M=1.8) (p=.038).

We have shown that consumers' choice behaviors and consequences in non-comparable options can be affected through the ease with which general decision criteria can be created through construal manipulations.

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### "The Role of Abstract and Concrete Mindsets on the Purchase of Adjacent Products"

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Most choice research has looked at how consumers choose in isolation (e.g., within one category at a time). In contrast, real world consumer choice often involves making a series of choices within adjacent categories that are considered together (e.g., a consumer in the oral care aisle may consider buying one or more items among toothpaste, mouthwash, floss, etc). Although many brands are widening their within-category product lines to take advantage of this phenomena (e.g., Varadarajan 2007), such extensions into these adjacent product spaces are more likely to generate incremental sales if consumers see such products as complementary rather than as substitutes for one another. Despite its ecological relevance, relatively little research has been devoted to exploring how consumer decision processes may change purchase considerations of other products in adjacent categories.

This project develops a goal theoretic framework to understand how the consumer's mindset, whether abstract or concrete, influences the likelihood of purchase from adjacent product categories. Specifically, the authors compare the number of adjacent products selected in an abstract mindset to those selected when the consumer is in a more concrete mindset. The recent literature on goals demonstrates that abstract mindsets conjure higher order, super-ordinate goals (Fishbach, Zhang and Dhar 2005, Freitas, Gollwitzer and Trope 2004, Pennington and Roese 2003, Trope and Liberman 2003), whereas concrete mindsets are associated with comparatively low order concerns (Pennington and Roese 2003, Trope and Liberman 2003). As the mindset of a consumer differentially affects attention to higher order goals, we argue that in an abstract mindset goal activation will spread from the higher order goal (e.g., oral care) to its related sub-goals (e.g., whitening one's teeth and freshening one's breath) which will ultimately lead to greater consideration of their associated means (e.g., white strips and breath mints). We propose this pattern of activation results from the cognitive structure of goals (Kruglanski et al. 2002). Conversely, a concrete mindset, which draws attention to lower level concerns, will cause consumers to focus more narrowly on the specific sub-goals themselves. As a consequence, purchasing from a single product category may be sufficient to satisfy their activated narrow goal and consumers will not feel inclined to purchase products from adjacent categories.

This hypothesis is tested in two studies. In the first study, participants' completed a mindset manipulation (Freitas, Gollwitzer and Trope 2004) then moved on to a shopping task where they were given the opportunity to purchase products from three categories (hair care, oral care and skin care). Within each category, participants first made an initial choice (e.g., a choice between toothpastes in oral care). Next, they were presented with 5 additional items from adjacent categories (e.g., mouthwash, floss, etc.) and told to purchase any additional items which they would like from that set of options. In line with our prediction, within each category participants put in an abstract mindset purchased more additional items than participants in a concrete mindset (average: $M_{concrete}=1.7$; $M_{abstract}=2.4$; $p<0.05$; pattern replicated and was significant for all categories individually).

Our second study was designed to extend the findings from Study 1. As in Study 1 respondents chose a central item from the category (e.g., toothpaste in oral care) before considering additional purchases, one account for the results could be that respondents in an abstract mindset might have had greater commitment to the goal of oral care after making an initial successful choice (Fishbach, Zhang and Dhar 2005). Thus, first choosing a toothpaste made respondents subsequently more likely to pursue the goal of good oral care through related means (e.g., additional purchases). The next study controlled for this account by offering all adjacent category items simultaneously. Specifically, after completing a mindset manipulation, participants were shown one category of products (e.g., oral care) containing twenty different items and asked to indicate which items from that category they would like to purchase. In support of our hypothesis, respondents placed in an abstract mindset made significantly more adjacent category purchases (oral care: $M_{concrete}=4.7$; $M_{abstract}=6.3$; $p<0.05$; results were replicated with an additional product category).

We use the relationship between consumer mindsets and regulatory focus to further clarify the process behind why this spreading activation generates greater motivation to purchase in an abstract mindset. An abstract mindset engenders a promotion focus, which is characterized with eagerness towards maximum goal attainment (Keller, Lee and Sternthal 2007, Pennington and Roese 2003). Conversely, a concrete mindset facilitates more balanced thoughts of promotion versus prevention, the latter characterized by attention to "bare necessities" or minimal goal attainment (Higgins 1997, Pennington and Roese 2003). As such, we predict that an abstract mindset will not only facilitate greater activation of adjacent products as related means to the higher order goal, we propose specifically that the promotion focus triggered by this mindset will be the mechanism underlying the effect of mindset on the purchase of adjacent products. Study 3 tests for this using a written protocol design to examine how mindset affects regulatory focus. The results of Study 3 support our prediction. In support of our hypothesis, participants in an abstract mindset purchased more adjacent products ($p<0.05$). Further, participants in an abstract mindset mentioned more promotion than prevention related thoughts relative to participants in a concrete mindset ($p<0.05$). Finally, using regression analysis with both mindset and a composite measure of regulatory focus included in the model, we find the composite measure fully mediates the effect of mindset on purchase. This pattern of results is supported by Study 4 where we directly manipulate regulatory focus and demonstrate that participants in a

promotion focus purchase more adjacent products than participants in a prevention focus (hair care: $M_{prevention}$=3.8; $M_{promotion}$=4.9; $p<0.05$, *one tailed*).

At present, this research achieves several goals: we demonstrate how one's mindset can affect the number of purchases which one makes when presented with multiple adjacent category offerings. Further we identify an underlying shift in regulatory focus as the mechanism behind this effect. As how consumers make choices when they consider adjacent categories simultaneously has not yet been examined, we believe this research makes an important contribution to the extant research on consumer choice. Finally we believe that as the factors which influence product perceptions are of critical interest to firms these findings have clear practical implications.

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### "The Role of Special Dates on Intertemporal Preferences"

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Many consumption decisions involve timing considerations. Extant literature demonstrated that consumers often act impulsively (i.e., their preferences imply high discount rates), overweighing the current outcomes and underweighting the future ones (for a review see Frederick, Loewenstein, and O'Donoghue, 2002). Prior research has documented that one source of impatience is the level of concreteness in which the outcome is represented. That is, impatience is increased if the outcome to be forgone is represented concretely (Metcalfe & Mischel, 1999), and that this level of representation could be triggered by the framing of the decision. For instance, Malkoc and Zauberman (2006) have demonstrated that delay frames lead to more concrete representations than expedite frames.

In this work, we suggest that whether the date used in describing delays is special (e.g., February 14th) or non-special (February 15th) would also affect the concretes of outcomes and have consequences for consumer impulsivity. We argue that using special dates to describe deferrals would give meaning to that consumption timing, providing a context to imagine the outcome. Imagining outcomes more concretely would then affect consumer's impulsivity.

We investigate the role of special dates in consumer impulsivity, in the context of recently demonstrated date/delay asymmetry-higher discounting in delay than in date frame (LeBoeuf 2006; Read et al., 2005). We argue that while the date/delay asymmetry holds for non-special dates, when special dates are used, consumers' impatience is significantly altered. We predict that if the sooner (later) of the temporally separated outcomes happen on a special date, the impatience will increase (decrease). In particular, if the special date is the sooner of options, this description would make the outcome in the near future more concrete, leading to an increase in impulsivity (compared to non-special date). However, if the special date is the later of options, this description would make the outcome in the distant future more concrete (relative to the near outcome), decreasing impulsivity. Results from two experiments support these predictions.

In study 1, the special date was presented as the sooner of options and thus we expected an increase in discounting with special dates, approximating the delay frame. The study was run three weeks before Valentine's Day. Participants imagined receiving a coupon for a French restaurant that was redeemable either in three weeks for $75 or in eight weeks for an unspecified amount. We manipulated whether the time was framed as delay (3 weeks vs. 8 weeks), as a non-special date (February 15th vs. March 22nd), or as a special date (February 14th vs. March 21st). The main task was to indicate the matching value of the coupon in eight weeks with the $75 coupon in three weeks. Replicating the date/delay asymmetry, results showed that participants in delay condition indicated higher value for the delayed coupon ($M$=126.54) than those in non-special date condition ($M$=86.92). More importantly, we found predicted effect of the special date, with higher matching values for the special date ($M$=118.59) than for the non-special date. These findings suggest that when temporal distance is described in terms of special dates, the greater discounting of delay versus date is significantly reduced.

To test our second prediction, in study 2 the later of the temporarily separated outcome happened on a special date. We predicted to find a decrease in impulsivity on the special date condition (compared to delay frame and non-special date). This study used 4th of July (Independence Day) as the special date. Participants imagined receiving a certificate to a local grocery store, redeemable either this week for $75 or in 5 months for a different (unspecified) amount. We manipulated whether the time was framed as delay (this week vs. 5 months later), as a non-special date (February 10th vs. July 5th), or as a special date (February 10th vs. July 4th). Main task was to indicate the matching value of the certificate in 5 months with the $75 certificate this week. Results replicated the date/delay asymmetry with higher matching values for the delay frame (M=156.59) than the non-special date frame (M=119.41). However, as expected, when the time was framed with a special date, the matching values decreased significantly (M=94.00) compared to the non-special date condition.

In conclusion, we show that providing meaning to the timing of consumption (with the use of special dates) has important implications for intertemporal preferences. Specifically, we suggest that special dates provide a context to imagine the outcome, increasing the concreteness in which it is imagined. Depending on the outcome the special dates help represent (sooner or later), consumers can be more or less impulsive in their preferences.

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## "Seeing the Forest When Entry is Unlikely: Probability as a Psychological Distance"

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Postulating that improbable events are psychologically distant and probable events are psychologically near, we draw on construal level theory (Trope & Liberman, 2003) to propose that decreasing an event's probability leads individuals to represent the event by its central, abstract, general features (high-level construal) rather than by its peripheral, concrete, specific features (low-level construal). A series of studies looked at the relationship between probability and mental construal. For example, one study used a categorization task, in which participants grouped objects related to each of four scenarios into as many groups as they deemed appropriate. Participants were asked to imagine that they were either highly likely or highly unlikely to engage in the scenario. As expected, participants in the low likelihood condition created fewer, broader groups out of the objects than participants in the high likelihood condition.

The effect of probability on mental construal emerged on identification measures as well. For example, participants in one study received a flyer advertising a paid research assistant position described in broad, general terms (e.g. helping behavior research) as well as in specific, low-level terms (e.g. dropping a book in front of participants). Participants in the high probability condition were told that they would be almost certain to get the position if they signed up for the post, while participants in the low probability condition were told that they would be unlikely to get the position if they signed up for the post. Participants signed up for consideration, and then completed a separate, unrelated study. At that study's conclusion, they were given a surprise "recall test" where they were asked to indicate the nature of the research assistantship that had been advertised earlier. Participants in the high probability condition were more likely to provide specific than general descriptions of the assistantship; this tendency was significantly lower for participants in the low probability condition.

Visual structure measures also revealed construal differences as a function of probability. Participants who came for a computerized study of visual perception were asked to first complete a paper and pencil practice version of the study task. During this "practice session" each participant completed two different tasks, one of which they believed they were likely to later complete in the actual experiment, and one of which they believed that they were unlikely to later complete in the actual experiment. The two tasks were the Snowy Pictures Test, which asks participants to name a picture hidden beneath visual noise, and the Gestalt Completion Test, in which participants must name an object presented in fragments. While different, both tasks involve abstracting visual information, and thus performance on both should be greater when associated with low, as opposed to high, probability. Indeed, this was the case. Participants' performance on each task was better when they believed that they were unlikely to later complete the task then when they believed that they were likely to later complete the task. Further, a follow-up study revealed the opposite pattern of results when the task content was replaced with a picture completion test in which participants had to name an element missing within a coherent whole (Wechsler, 1991). If abstracting information allows one to better close the gestalt in a picture, this should make it harder to recognize individual missing elements; in accord with this prediction, participants performed less well on the task when they believed they were unlikely (as opposed to likely) to later complete the task in the actual experiment. Thus, the effect of probability on performance is dependent upon the nature of the task: when abstraction facilitates performance, thinking of something as unlikely leads to better performance; when abstraction hinders performance, thinking of something as unlikely leads to diminished performance.

Taken together, these findings suggest that low likelihood events are indeed represented at a higher level of construal than are high likelihood events. Accordingly, decisions made about low likelihood events should be influenced by higher level aspects of those events. For instance, when an outcome has multiple features, we would expect that the lower the probability of receiving the outcome, the greater will be the weight of central, defining features of the outcome relative to weight of its peripheral, non-essential features (Todorov et al., 2007). For example, in choosing a course, students would assign greater weight to the quality of the instructor (a high level feature) and less weight to the location of the course (a low level feature) when the likelihood that the course will be offered is low rather than high. Thus, a course given by a good instructor in an inconvenient location would be more attractive when the course is unlikely to be offered than when it is likely to be offered, whereas the reverse should hold for a course given by a mediocre instructor in a convenient location.

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# Bridging Cultures: Theorizing the Spaces between Disciplines, Peoples and Consumer Identities

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## SESSION OVERVIEW

The goal of this session is to advance research and stimulate multi-disciplinary debate on current issues in cross-cultural consumer behavior that have emerged in relation to dramatic changes in society at large. Market globalization, ethnic conflict, massive population upheaval and displacement, and the deconstruction of national cultures characterize the 21st century and demand a rethinking of a broad spectrum of acculturation models of consumer socialization (Hirschman 1981; Wallendorf and Reilly 1983; Deshpande', Hoyer and Donthu 1986; Stayman and Deshpande' 1989; Askegaard, Arnould and Kjeldgaard 2005; Oswald 1999; Peñaloza 1994). By bridging differences between various units of analysis, theoretical frameworks, ethnicities and 'contact zones,' this symposium proposes a multi-dimensional approach to cross-cultural consumer behavior that defies reduction to an oppositional in-group against out-group–"us against them" model. The four papers strive to account for multi-directional movements of meaning, material, and power between and among consumers and consumer groups.

The authors shift the focus of cross-cultural consumer research from the study of ethnicity *per se* to the fluid and dynamic process joining/separating ethnic groups in various material, figured and virtual zones which serve to structure social interactions, activities, and institutions such as networks, media, organizations, and markets. This approach foregrounds the complexity and fluidity of cultural identity, socialization and consumer behavior (Berger, Berger and Kellner, 1973: 77; Bell, 1980: 243) and the strategies consumers employ to navigate these complex and ever-changing social spaces.

The likely audience for this session includes marketing and public policy researchers and practitioners interested in:

1. the sociology of consumption at large, focalizing on the dialogical deployment of products in mainstream-minority market and social negotiations (e.g., value conflicts, cultural capital elaboration, construction and deconstruction of social boundaries);
2. consumer ethnic studies, covering theoretical domains such as postassimilationist, cross-cultural and international research on consumer behavior, identity, transculturation.
3. transformative consumer research, since the evolution of ethnic and cultural studies suggests implication in terms of consumers' quality of life and community development.

- In the first paper, Anderson articulates a "third space" in the dialogue/bridge zones forming and differentiating ethnic cultures. She also examines the fluidity of acculturation and "reculturation" strategies across generations and at developmental points in consumer's lifetime.
- In the second paper, Visconti documents cultural alternating identities of Egyptians rooting in the Italian socio-economic context. If alternation enforces win-win logics of acculturation processes and supports multiculturalism and individual flow experience, it also makes harder immigrants' categorization, leading to possible subjective uncertainty and social distrust.
- Next, Oswald examines ways the minority experience engages

multiple stakeholders in a complex, bi-directional dynamic of sharing, borrowing and bartering back and forth across ideological lines formed by race and ethnicity.
- And finally, Peñaloza reverses the direction of the usual ethnic research in examining the dialogue and impact of mainstream consumers' consumption of Mexican-American cultural artifacts on the development of Mexican American community.

## EXTENDED ABSTRACTS

### "Dynamic Inbetweeness: Ethnic Consumer Dialogue Zones"
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Disparate and contrasting ethnic cultures with their collective voices play a part in the development of multi-voiced consumers. Consumer researchers have discussed aspects of moving between ethnic cultures (c.f. Stayman and Deshpande' 1989, Peñaloza 1994, Oswald 1999, Askegaard, Arnold, Kjelgaard 2006). This research focuses on the process dynamic of going between cultures and finds a dialectic that illuminates an inbetweeness space–a third space. Inbetweeness is the space at the bridge, the crossing and intersection of two cultural worlds, two points of view, two sets of evaluations, two voices trying to talk over each other–a dialogic collision. The people that operate in this third space at the margins of two cultures deal with conscious agency, sometimes irreducible differences between cultures, constant dynamism. Thus this research focuses on the bridging space between two ethnic cultures.

Regarding ethnic inbetweeness/ a third space, one informant says:

> "There is a group of us, and it's not small anymore, that go through that. Only those that go through that understand …what you feel like because of the choices you made. That group has evolved into a subgroup of us…"

This ethnographic research focuses on Mexican-American professionals whose careers exist in the mainstream world. These consumers must operate competently in both the mainstream culture and the Mexican-American culture. Photo essays developed by participants, in-depth interviews and observations were used to explore these dialogue zones between the Mexican-American culture and the mainstream culture. Extensive improvisation is found (Bakhtin 1987, Bourdieu 1997), creativity and resourcefulness by the individuals that inhabit this space. Improvisation creates new social competences in newly figured worlds at the margins of culturally regulated space and time. The resources of the two original cultural worlds are used opportunistically–yet sometimes without the regulations of the overarching cultural structure of those worlds. It is this component that is unpacked in this research. Improvisation commands our attention because without this attention to it we may miss the back and forth of engagement with different ethnic cultures. Furthermore, it celebrates consumer agency.

This data finds in particular:

1. Dynamic inbetweeness occurs at different levels and is especially pronounced in three different dialogue zones: between home and work, at different developmental points in life and between generations.

2. Creativity and improvisation often occur in these dialogue zones through the consumption of symbols/products. Two creative uses of symbols are especially pronounced: utilization to ensure that others that enter their dialogical zones are "comfortable;" and utilization as triggers or pivots to enter one or the other of the cultural worlds.

3. This process is often one of conscious agency. The cultural and cognitive heuristics of one cultural world that allows an individual residing in that culture to be a cognitive miser are not available in the inbetweeness space. There is a vivid consciousness that one must be making choices. The social structure of the cultural worlds is made more vivid along with an implication for change.

### "The Social Construction and Play of Ethnic Minorities' Identities: Antecedents and Epiphany of Cultural Alternation"
*Luca M. Visconti, Bocconi University*

The multicultural stream is smoothing the stony definition of nation, and marketplaces are arenas where ethnic minorities and mainstream consumers, together with marketers, negotiate their identities through artifacts cross-consumption (Grier, Brumbaugh, and Torton 2006). In this light, my ethnographic work on Egyptians in Italy acknowledges the idea of ethnic identity as: (i) situational (Stayman and Deshpande 1989), (ii) diasporic and hybrid (Askegaard, Arnould and Kjeldgaard 2005; Lindridge, Hogg and Shah 2004; Oswald 1999), (iii) socially embedded, and (iv) controversial as a result of problematical processes of migrants' self/social categorization. Relying on this basis, the work aims to bridge the micro and macro contributions in the field of ethnic acculturation through the specific lens of cultural alternation (Berry, 1980). As such, the paper discusses the way ethnic consumer identity and practices (Peñaloza 1994) are intertwined with the socio-cultural patterning of consumer acculturation (Üstüner and Holt 2007).

(Trans)cultural psychology has long confirmed how cultural adaptation may lead to multiple exits (Berry 1980; LaFramboise, Coleman and Gerton 1993), including acculturation, assimilation, rejection, deculturation, and cultural alternation. Alternation stems from a state of migrants' double cultural competence/consciousness (DuBois 1961), which endorses a win-win logic of cultural encounters. Dynamically, it hypothesizes that migrants can combine or switch to different cultural identities according to situations, social ties, emotions, goal-achievement tactics, rituals, etc.

Reverting to the consumer literature, assimilation and acculturation have been largely described, whereas cultural alternation has remained almost at the margins. Postassimilationist ethnic studies have elaborated close constructs, such as those of border crossing individuals (Peñaloza 1994), cultural swappers (Oswald 1999), or diasporic (Lindridge, Hogg and Shah 2004) and pendulum identities (Askegaard, Arnould and Kjeldgaard 2005). Recently, Üstüner and Holt have unpacked the social conditioning to creolized identities when discussing the case of Turkish women living in a squatter in Ankara (2007).

If the more micro approach has been labeled "postmodern consumer acculturation" and opposed to the socio-centered, macro view defined "dominated consumer acculturation" (Üstüner and Holt 2007), this work aims to reconcile the micro/macro lectures. Consequently, it explores the antecedents and play of culturally alternating identities so to: (i) untangle the subjective impact of the socio-cultural forces on migrants' life/market experience; and (ii) appreciate the resources and individual strategies that migrants deploy to cope with these supporting/oppositional social forces.

Data are the result of a two years field observation on a purposive sample of 21 Egyptian immigrants, selected according to variety and contrast principles (Miles and Huberman 1984). Food, linguistic and media preferences, family and social ties, personal elaboration of cultural conflicts, migration projects, and life-stages have been cross-analyzed relying on the tenets of interpretative ethnography.

Findings support a melted overlapping of individual and social dimensions, and deeply discuss:

1. *cultural alternation's antecedents*, which explain why and how certain Egyptian migrants acquire multiple identities. Individual as well as socio-cultural resources are illustrated;

2. *cultural alternation epiphany, both in market and social contexts*. The interplay between social and individual forces is mirrored by the high variety of alternating patterns (e.g., hybridized vs. polarized manifestation; instrumental vs. terminal relation to culture; subtractive vs. additive dynamics between cultures);

3. *finally, cultural alternation living experience*. Antecedents and play impact migrants' life/market experience. Data document how migrants negotiate social identities in terms of their (i) means of conflict elaboration (tragic vs. comic), (ii) principles of identities reconciliation (self-to-self vs. self-to-context) and (iii) rates of autonomy in adapting to the new cultural environments.

Evidence on Egyptians in Italy confirms the relevance of the social pattering of consumer acculturation and its interplay with the resource-basis of individuals. The ongoing debate about the threat of Islamism to Western cultures is almost ignored in consumer literature, with the main exception of Üstüner's and Holt's recent contribution on Turkish consumers, whereas it has received much more emphasis within the psychological realm (e.g., Florack et al. 2003). My data sheds light on the way informants have modified their socialized sense of self after September 11th. Furtherly, Italy-as part of the overall Mediterranean culture-offers Egyptians a kind of meta-ground where autochthonous and migrants share the same Meridian core cultural values (Cova 2005).

On this empirical basis, cultural alternation is not a static consequence of adaptation praxes, but it serves as an active and deliberate strategy immigrants dispose of in order to contest, confirm and question their own identities both within and across minority/mainstream groups.

### "The Role of Consumption in Cultural Co-Existence Strategies"
*Laura Oswald, University of Illinois Champaign-Urbana*

Sociologists stress that successful minority socialization depends on the acquisition of the cultural capital—including education, tastes, values, and consumption rituals—of the more powerful mainstream group (Bourdieu 1977; Bourdieu and Passeron 1977; Dimaggio 1992; Simpson 2001). In this paper I propose a Cultural Co-Existence model of minority socialization that emphasizes the two-way flow of influence between underprivileged African Americans and the dominant society as they negotiate the racial divide that currently perpetuates a cycle of poverty, isolation and despair in the inner city. Findings demonstrate that multicultural contexts engage multiple stakeholders in a bi-directional dynamic of sharing, borrowing and bartering back and forth across ideological lines formed by race, gender and ethnicity. This approach extends the consumer

acculturation literature (Penaloza 1994, Oswald 1999; Askegaard, Arnould and Kjeldgaard 2005; Üstüner, and Holt 2006) by interpreting the mainstream/minority dialectic in terms of a dynamic of push and pull between informal sociality at the level of the subculture, and the formal organization of society-laws, public policy, and institutions at the level of the mass culture.

America has been the ancestral home to African Americans much longer than most Americans of European origin (1805/1840s), but they continue to constitute a separate cultural entity because of prolonged racial segregation. Furthermore, the population under study has lived on the West Side of Chicago for over 40 years and do not plan to leave (Crocket and Wallendorf 2004). Findings from an ethnography conducted on the West Side of Chicago between 1998-2001 illustrate how African Americans living in the inner city leverage local networks and cultural identity–grounded in custom and charged with meaning-to negotiate with the dominant social and political establishment for the satisfaction of basic needs for safety, employment, housing, and transportation. Isolated from the mainstream by race and economic disadvantage, the subjects of this study struggle to maintain social order, economic survival and personal dignity by means of informal, voluntary activities such as street gardening (LaGuerre 1994). These activities both contribute to the neighborhood's social capital by building community networks (Bourdieu 1984/1979, Glover 2004), and also create a kind of collective cultural capital that empowers the group in relation to the dominant social order (LaGuerre 1994).

The author bridges the research streams of cross-cultural consumer research, public horticulture, and minority socialization by taking a pluralistic approach to the interpretation of urban gardening as a site for consolidating ethnic identity and solidarity, for producing cultural capital, and for circulating goods, services and favors between minority and dominant sectors of society. As previous studies on community gardens show (Coley, and Sullivan 1997; Rishbeth 2004; Glover, Shinew and Parry 2005), the West Side community gardens engage the individual at personal, social, and symbolic levels of consumer behavior. Gardeners are initially moved to action out of a need for personal control over their neighborhoods, which are plagued by street crime and urban decay. Gardeners hold fundraisers and bake sales to buy plants and materials and socialize with their neighbors.

However, most of the community gardening literature is published in journals on leisure and recreation, while the informants in the present study garden to survive in the face of extreme social conditions produced by gang activity, violent crime, drug traffic, general poverty, and high unemployment that do not exist in the settings studied by previous researchers. The current study extends the research on community gardening by 1) focusing on inner city African American communities rather than predominantly white communities, 2) taking a cross-cultural view of the community garden as a site for the circulation of goods, services and favors between the community and the dominant social system, including City Hall, social services agencies, and private organizations, and 3) showing how gardens and gardening not only bring people together (a form of social capital), but become symbols for group identification and ethnic identity (a form of cultural capital).

On the West Side, volunteerism evolves into social activism, as the informal social connections forged through gardening develop into organized networks. Gardeners encourage their neighbors to apply for social services and vote in elections, and train children in the arts of horticulture. In the course of cleaning up abandoned lots, cultivating the land and planting flowers and vegetables, they engage with City Hall to tear down abandoned buildings, build sidewalks and increase police protection. Further-

more, over time residents have claimed the gardens as sites for perpetuating their unique cultural heritage, growing collard greens, okra and black-eyed peas reminiscent of the rural South. Grounded in African American folk culture and reconstructed in the form of cultural capital (Bourdieu 1984/1979), the gardening effort contributes to the social distinction of the group in relation to the dominant culture at both social and political levels. To celebrate Black History month on the West Side, gardeners commemorate the legacy of residents whose ancestors either worked on plantations or, after Abolition, worked as sharecroppers on large estates in the Mississippi Delta (Lehman 1992). In one garden, residents cultivate cotton and tobacco as symbolic reminders of their southern roots. Over time this cultural distinction has acquired 'social sacred' status (Durkheim 1995/1912). Informants repeatedly stated, "green space is sacred." Even the gangs in this distressed community "respect the gardens and leave them alone." In other words, the community garden becomes a symbolic treasure that binds the minority community internally and enables residents to garner material benefits–in the form of services and goods–from City Hall.

Finally, there is an interdependency between the gardening community and City Hall, since the gardeners–as social activists-have the power to organize the local community, influence the vote, and ease the way for the implementation of public policy.

### "Consuming Community: The Impacts of Mainstream/Margin Social Relations on Community Development"
*Lisa Peñaloza, EDHEC, France and University of Utah*

This presentation continues the project of theorizing the spaces between disciplines, peoples, and consumer identities in shifting consumption and community as alternatively phenomena and domain in better understanding the place of consumption in community development. Over the past decade consumer researchers have produced a stream of work concerned with the forms and processes whereby consumers make community. These researchers extrapolated insights from ethnic/racial and religious subcultural communities in making sense of the social bonds they observed in the consumption of brands of products and services (Muniz and O'Guinn 2001; Kozinets 2001). In doing so, this work shifted attention from the phenomena of consumption within the domain of community to the phenomena of community within the domain of consumption.

This research reinstates the community as domain of study, specifically a Mexican American community in South Texas, in investigating various consumption phenomena and tracing their impacts on its development. Importantly, this community does not exist in a vacuum; as part of the minority Latino/a subculture in the U.S., fundamental are its relations with the White mainstream. As I will show, consumption plays a key role in community development in the ways it reflects and potentially alters social relations between the two groups. That is, these social relations serve as the raw material from which consumers produce cultural meanings, at the same time consumers are able to renovate extant social relations in their consumption meanings and practices.

The research employs an ethnographic design comprised of interviews and participant observation. The 48 informants were selected to vary by generation in the U.S., age, sex, social class, color, neighborhood residence, and language. Questions examine consumption patterns for transportation, communication, food, fashion, and holidays; together with ethnic identity and subjective understandings of being in a targeted subgroup, and relations with other social groups in and outside the market. Participant observation took place in homes, stores, neighborhoods, marketplaces, tourist sites, churches, and public parks and public transportation.

Findings contrast the colonial history of people of Mexican descent in the U.S. Southwest with dramatic market growth since

the mid 1980's. As the nation's largest minority, Latinas/os currently number over 43million persons (U.S. Census Bureau 2006), with over $650 billion in annual expenditures (Conference Board 2004). Community characteristics include common activities and values, intense interactions, loose and volatile organizational forms, socio-economic composition, and relations with other social groups and the market. To highlight, the median income for Mexican Americans is in the mid 20k range as compared to the high 40k range for non-Hispanic Whites (U.S. Census Bureau 2006). Interactions and intermarriage with Whites are increasingly common; juxtaposed with greater tolerance on the job and as consumers, continued pressures for assimilation, and persistent White dominance in local government. The community exhibits a complex, layered, dialectical market genealogy. Mexican American consumers commune in their use of products and services and constitute their culture in deploying symbols and offerings provided by marketers at home, in their neighborhoods, and in tourist sites where they are joined by Non-Latinos/as who outnumber them in reproducing distorted forms of the culture in restaurants, bars, and souvenir shops.

Discussion elaborates various forms of consumption in relation to minority/majority group status in tracing their impacts on the development of the Mexican American community. As Non-Latino/a consumers consume Mexican American culture at many of the sites, they exert profound social legitimizing effects supporting and validating Mexican American cultures. Yet the forms of Latino/a culture they consume are geographically and culturally distanced from the Mexican American community in San Antonio, and as such, contested by many cultural members. This market distancing and distortion reflects and impacts relations between the two groups, and in turn affects the development of Mexican American community. Theoretical implications discuss 1) how cultural consumption takes place in and outside the market and 2) how community is produced in cultural consumption by members and nonmembers; while research implications argue for the importance of social relations in consumer research to render it more appropriate to U.S. multicultural society and the global economy.

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SYMPOSIA SUMMARY
# Money Makes the World Go 'Round–
# and Other Interesting Effects on Affect, Consumption, Goal Pursuit, and Generosity
Kathleen Vohs, University of Minnesota, USA

## SESSION OVERVIEW

**Objective:**

Money is at the heart of many consumer interactions and yet has received precious little attention from the experimental scholarly world. Moreover, the concept of money has not been examined in the manner in which the proposed speakers study it: These speakers manipulate the form of money or its presence or absence, novel methods that have not been used previously to investigate money. This session brings to the forefront the notion that money is an essential component to being a consumer and deserves more attention from consumer scientists.

This session illuminates the way in which money affects a variety of consumer responses ranging from levels of consumption to emotions, from goal-strivings to interpersonal sensitivity. Money's centrality to consumers' lives is a foundational issue that bridges myriad subgroups. This topic provides an ideal jumping off point for lively debate, inquiry, and (we hope) future research endeavors highlighting the fascinating effects of money on consumer behavior.

**Issues and Topics:**

The first paper, by Vohs and colleagues, examines the most basic of effects relating to money: How does activating the concept of money change people's behavior? In 9 experiments, Vohs et al. demonstrated that priming money led people to become more motivated in the sense that they worked harder and longer on difficult tasks (which is a good outcome). On the other hand, priming money also led people to become less sensitive toward others' needs (obviously a bad outcome). Hence, the mere activation of money produces divergent responses, both positive and negative, which may well explain people's love/hate relationship toward it. The second paper, by Mishra et al., picks up thematically where Vohs et al.'s conclusion leaves off, by detailing three experiments that investigate the effect of money on purchase decisions. Mishra and colleagues found fascinating evidence that money in large denominations (or crisp new bills) leads consumers to feel highly positive affect, whereas smaller denominations (or used bills that appear tattered and worn) elicit weaker affect. Furthermore, Mishra et al. when the product is hedonic and the denominations of money are small, consumers report high willingness to pay, whereas low WTP is found when the product is utilitarian and denominations are large. These findings reveal intriguing effects about the meaning of money and emotions that could impact a wealth of research (no pun intended) in the consumer realm. Last, Ariely et al. present a new twist on the quintessential question of how prices affect demand. Their research compares pricing products positively (i.e., above $0) to pricing products at $0. Positive pricing has the predictable effect of diminishing demand but when the product is priced at $0, more consumers partake in the free product (in accordance with supply/demand predictions) but each individual consumes less of the product–an unexpected effect from a monetary market standpoint. Ariely et al. note that a social market perspective neatly explains both sets of results.

## EXTENDED ABSTRACTS

### "Money Changes the Self"
*Kathleen D. Vohs, University of Minnesota*
*Nicole L. Mead, Florida State University*
*Miranda R. Goode, University of British Columbia*

Scholarly and other discussion about the effects of money on people's behavior range from the positive to the severely negative. On the positive side, some prize its ability to motivate behavior; on the negative side, academics and lawyers decry money's role in harming social relationships. We wondered whether both accounts of money's effects could be true, and we set out to test this idea empirically. The results of 9 experiments indicate that both types of outcomes follow from the mere activation of money in people's minds. We have called the process responsible for this effect the self-sufficiency effect of money (Vohs, Mead, and Goode 2006).

Although money has been widely debated as to its effects, it has rarely been experimentally studied in the laboratory. Most of the social science research on money has focused on factors that are related to money, but that are not money itself. Nonetheless, important insights about the consequences of money on people's behavior can be gleaned from this work. Materialism, for one, has been shown to disrupt interpersonal harmony because people high in materialism tend to value the goods that money can buy more than being close with others (Burroughs and Rindfleisch 2002). On the other hand, having money helps buffer people from the environmental shocks that naturally occur across the years of life. We thought it crucial to test the downstream associations of being reminded of money to understand the effects of money, per se, rather than related factors (e.g., income or materialism).

In six experiments, we tested for the effect of money on helping behavior. Would reminders of money lead people to become less helpful? We found that they did. In experiments 1-2, reminders of money were manipulated by asking participants to first play the game of Monopoly with a confederate. This allowed us to create a high money condition by leaving these participants with $4000 of play money and a no money control condition in which participants were not left with any play money. The next task further strengthened the conditions by asking participants to write about what life would be like with abundant finances (high money condition) versus their day tomorrow (no money condition). Afterwards, as participants walked across the lab, a second confederate dropped a bag of small pencils in front of participants and we measured how helpful they were in gathering them. We found that participants in the high money condition were less helpful than participants in the no money condition. Experiment 2 used the same manipulation, with the helping measure being amount of time participants volunteered to help the experimenter code data for her honor's thesis. Again, high money participants were less helpful than no money participants. Experiments 3-4 used a supraliminal phrase-descrambling task to prime the concept of money nonconsciously. In this task participants either descrambled phrases relating to money (e.g., answer: "she got a raise") or neutral phrases (e.g., answer: "it is cold outside"). Experiment 3 participants were

then asked for help by a confederate seated in the same room; in experiment 4, participants were given an opportunity to donate money to a university student fund. In both experiments, participants who were reminded of money earlier were less helpful in time (experiment 3) and money (experiment 4), relative to participants who were not reminded of money.

A second set of experiments asked whether participants who were reminded of money would be self-sufficient or selfish when faced with a difficult task with which they could receive help. In experiments 5-6, participants were given a challenging but solvable task (experiment 5) or an impossible puzzle (experiment 6) to work on, and both times they were offered help. Participants in experiment 5 were reminded of money or not via the descrambling task described above, whereas participants in experiment 6 read aloud essays written ostensibly by a student who grew up in an affluent family (high money) or a family whose finances were only just enough to make ends meet (low money). In both experiments we found that participants reminded of money were reticent to ask for help. In experiment 5, the money-primed participants worked longer before asking for help, and in experiment 6 the high money participants worked longer before asking for help, in comparison with their counterparts in the control conditions.

A third set of experiments tested wider implications of the effect. Experiments 7-9 primed money in participants by visually exposing them to pictures of currency while performing another task, whereas control conditions either had no pictures or pictures of nature. We found in experiment 7 that participants reminded of money put more distance between themselves and another participant with whom they were going to have a get-acquainted conversation (an implicit sign of social distance), as compared to participants who saw fish and those not given a visual prime. In experiment 8, we found that participants reminded of money overwhelmingly preferred to work alone on a task rather than with another participant, whereas participants in control conditions preferred to work with another participant. Last, in experiment 9, participants reminded of money preferred leisure activities that would be performed only by the self, rather than those that friends and loved ones could perform with them.

In sum, being reminded of money makes people behave self-sufficiently. Participants who were subtly reminded of money were less helpful–but also asked for less help, relative to participants who were not reminded of money. Moreover, money-primed participants also preferred to be physically further from an unacquainted interaction partner relative to participants and desired to work alone and play alone. This research opens the door for discussions on the role of money in egotistic as well as goal-directed behavior.

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### "Money, Product, and Individual: The Influence of Affective Interactions on Purchase Intentions"

*Himanshu Mishra, University of Utah*
*Arul Mishra, University of Utah*
*Dhananjay Nayakankuppam, University of Iowa*

Marketing researchers have extensively documented the influence of affect on consumer decision-making. The study of affective influences on judgments and choices has moved in two distinct directions; one investigating the influence of product induced affect and the other exploring the individual's affective traits such as hedonism and utilitarianism. The product can have hedonic attributes and hence generate a higher level of affect or have utilitarian attributes and engender a lower level of affect. The individual, on the other hand, could have a personality trait that seeks either more hedonic or more utilitarian outcomes, which consequently controls how one reacts to affective cues.

However, along with the product and the individual, money plays a critical role in any purchase decision. While past research enriches our understanding of the role of product induced affect and an individual's affective traits in consumer decision-making, it is relatively mute on how affect arising from money could interact with product induced affect and individual's affective traits. The study of such interactions becomes pertinent considering the findings that over and above its real value, money has acquired an affective meaning, which causes it to be desired for itself. Recent research has also shown that equivalent amounts of money can possess different levels of positive affect, highlighting the finding that money can have affect that is independent of its economic value (Mishra, Mishra and Nayakankuppam 2006).

In the light of these findings, the following questions remain unanswered: How do the varying levels of affect in money influence the purchase decisions of hedonic versus utilitarian products? How do the affective traits of an individual impact purchase decisions when money induces high versus low affective responses? This research is an attempt to answer these questions by exploring the interaction of different levels of affect from money with product level and individual level affect and its resulting influence on consumers' purchase intentions.

To answer these questions, we adopt the interactionist perspective that suggests the study of interaction among various component of a decision task rather than studying them in isolation. We explore how monetary affect interacts with product induced affect and consumer's affective traits and finally influences purchase intentions. Specifically, we predict that when the affect generated by money is stronger than the affect generated by the product, there is lower willingness to buy. On the other hand, when affect from the product is stronger than affect from money, there is higher willingness to buy. Similarly, a higher or lower affect from money compared to an individual's hedonic or utilitarian traits moderates one's willingness to buy. These predictions were tested in a simulated shopping environment where participants were given money in an envelope and shown products with price cards kept in front of them. They had the option of spending all the money, a part of the money or no money on the products. In all the experiments, participants were entered in a lucky draw in which one participant received the products chosen plus the remaining money.

In experiment 1 we varied the levels of product affect and money affect and observed the subsequent influence on willingness to buy. Hedonic products induce higher positive affect compared to utilitarian products (Hirschman and Holbrook 1982) and bills of bigger denomination induce more affect compared to equivalent bills in smaller denominations. We observe a tug-of-war between wanting to buy the product due to product-induced affect and also wanting to hold on to the money driven by money induced affect. We find that participants were more willing to buy hedonic products with bills of smaller denominations (ten $5) compared with bills of bigger denomination ($50) since the affect coming from the former is less. Similarly, participants showed a lower willingness to buy utilitarian products when they had bills in bigger denomination compared to when they have bills of smaller denomination.

Experiment 2 demonstrates the interaction between consumer level affect and the affective reaction felt towards money. Consumers can be thought of as possessing hedonistic/materialistic-high

affect or utilitarian-low affect traits, which we measured using a trait scale. We hypothesized that because of these traits, consumers will differ on how they react to the affective cues in the shopping environment. The results indicated that participants felt the lowest inclination to buy the displayed products when they were low on the hedonism scale and had bills of large denomination and they indicated the highest willingness to buy when they were high on the materialism/hedonism scale and had bills of smaller denomination.

Experiment 3 demonstrates that money itself has the potential to generate two independent levels of affect. First, big denomination bills ($20) generate higher affect than equivalent amount of bills in smaller denomination (four $5). Second, a bill that is crisp and new has higher positive affect than an old crumpled bill. The results participants having new bills of bigger denomination, that is a new $20 bill, indicate the least willingness to buy the displayed products while participants having old bills of smaller denomination, that is old, crumpled four $5 bills, indicate the highest willingness to buy. In sum, across three experiments we study how affect from three different sources, product, individual and money, have the potential to influence the final purchase decision.

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### "On the Discontinuity of Demand Curves Around Zero: Charging More and Selling More"

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The law of demand asserts that demand should weakly decrease as price increases. This downward sloping demand is due both to downward sloping individual demand, and downward sloping market demand. The downward sloping individual demand effect is due to diminishing marginal utility, meaning that we should expect the average demand per consumer to decline with price. The downward sloping market demand effect is due to consumer heterogeneity, meaning that the number of people demanding a product should decline with price.

While both effects in the law of demand are likely to hold for most price levels, we show that they might not hold for the price of zero–as the price of zero involves not only a specific price level but also social norms. As an illustration, consider a case of a birthday cake, left-over Halloween candy, or doughnuts brought to the office by a co-worker. Suppose the sweets are left unattended at the empty coffee room with a sign that says "help yourself." You can take as much as you like, so how much would you take? Under these conditions most people, we expect, would take only the "socially acceptable" amount, but they would take much more if the price was ¢1 per doughnut and if the offer was made by the local bakery. This example illustrate that social norms can operate when no monetary exchanges are salient, and that the inclusion of a monetary tradeoff can interfere with these norms.

The effect of payment or lack of payment on the social norms that individuals apply is apparent in Fiske's Relational Theory (1992). Those papers show that when money is not mentioned at all, transactions are considered to be in the social exchange domain, causing people to apply norms of fairness and reciprocity to the exchange (helping a friend move, helping someone to change a flat tire etc.). But when money is involved in the transaction, the norms and rules that people use relate more directly to market norms of exchange and cost-benefit analysis.

Together these ideas suggest that when monetary exchanges are not explicitly mentioned, social norms, but not market norms, are invoked and that when monetary exchanges are explicitly mentioned, market norms, but not social norms, are invoked. A set of 3 experiments showed this effect and that the combination of these two forces yields higher average (and total) amounts consumed when the price is low than when it is zero.

As shown in Experiment 1, we find that for the most part, with positive prices, the Law of Demand holds for both of these components. That is, when positive prices are raised, fewer individuals demand the items offered and on average individuals demand a lower quantity of the good in question. While the standard theory is observed for positive prices, when the prices decrease to zero social norms are invoked and we observe a discontinuity in the Law of Demand. When the price is reduced to zero, the first component of the Law of Demand still holds–more people demand the item relative to positive price. However, at the individual level, when the price is reduced to zero, the Law of Demand breaks down and individuals consume an amount that is dictated by the social norms–which in our case is substantially lower. The results of the first three experiments presented here support this idea. In addition, Experiment 1 provided initial evidence that the effect is generalized to other forms of exchange such as effort. Experiments 2 and 3 also indicated that the effect of price decrease to zero was particularly large for males–mostly because their demand at the ¢1 price condition was higher than for females.

These findings have relatively straightforward economic implications. At a micro level, firms wishing to introduce new products through samples or sales promotions may find that charging nothing will clearly increase the number of individuals who will ask for the product, which may be good or bad for the promotion (depending on whether the additional individuals are likely to become consumers). Relative to very cheap samples, free samples have a negative effect on the quantity taken by individuals. Having each individual restrict him- or herself to only one sample product might be the effect that companies are striving for, but it is also possible that from companies may want individuals to take multiple samples and try the product repeatedly over time or share it with others. Then a lower price that is not zero might be more appropriate.

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SYMPOSIA SUMMARY
# Health Marketing: Understanding Consumer Response to Risk and Remedy Messages
Lisa E. Bolton, The Wharton School, University of Pennsylvania, USA

## SESSION OVERVIEW

The objective of this special session is to address an important problem in health care—how to encourage consumers to engage in health-protective behaviors, including risk-avoidance and health remedy consumption. Such research is part of a larger literature on how consumers respond to health communication messages and how to promote a healthy lifestyle. As such, audience interest at ACR should be high.

Each project offers a unique yet complementary perspective on these issues. Specifically:

1) "*Health Communication Effectiveness: Using Underlying Processes…*" investigates how health risk messages change consumers' mental maps of diseases and, in turn, risk perceptions and behavioral intentions. The research uses a dual process model to understand consumer response to health communications.
2) "*Harboring Hope and Accepting Anxiety…*" investigates how health risk messages affect emotions and, in turn, health risk perceptions. The research focuses on the role of emotions in consumer response to health communications about disease and risk.
3) "*No Pain No Gain…*" investigates how health remedy messages affect consumer beliefs about the risks and benefits of medicines and, in turn, their perceived effectiveness. The research focuses on consumer lay theories about health remedies.
4) "*… TCM versus WM in China*" investigates consumer perceptions and preference for Traditional Chinese versus Western health remedies in China. The research focuses on consumer lay theories about these health remedies in Chinese culture.

Together, these projects examine consumer response to two kinds of health marketing: health risk messages and health remedy messages. In large part, prior research in health communications has focused on the former and taken a traditionally cognitive approach to examining message effectiveness (cognitive responses, attitude change, etc.). The present research attempts to go further in developing an understanding of the cognitive schema that underlie health attitudes and behaviors—specifically, consumers' mental maps of diseases and consumers' lay theories about health remedies. Moreover, the present research argues that consumer response in the health domain is not guided solely by cognitions but also by the interplay with emotions and must be understood in a culture-specific context. By bringing together research on both sides of the health communication coin—that is, risk and remedy messages—we hope to further our understanding of the myriad factors that influence health-protective behaviors. Our discussant (a recipient of NCI and MSI awards for research on health communications) has been chosen for her unique breadth and depth of experience in areas relevant to our research—and should help bring further insight to our understanding of how to improve consumer health and welfare.

## EXTENDED ABSTRACTS

### "Health Communication Effectiveness: Using Underlying Processes to Understand the Relationship between Health Risk Attitudes and Behavioral Intentions to Follow the Recommendations"

*Yanliu Huang, The Wharton School, University of Pennsylvania*
*Sam K. Hui, The Wharton School, University of Pennsylvania*
*Barbara E. Kahn, University of Miami*

Past health literature examining the effectiveness of health communication (e.g., Becker 1974; Kahn and Luce 2006; Rogers 1975, 1983) generally assumed that health-related messages initiate people's assessments of risk and vulnerability and resulting coping strategies, which, in turn, influence intentions to follow message recommendations. Based on these models, consumers usually form risk perception attitudes and behavioral intentions to follow the recommendations in a deliberate way after assessing relevant factors in the communication. Furthermore, attitudes and intentions are generally assumed to be positively correlated. A recent meta-analysis by Keller and Lehmann (2006), however, suggests that the consistency between attitudes and intentions is not always true because some contextual factors (e.g., message framing) could affect attitudes and behavioral intentions in opposite ways. No systematic theories have been suggested to date to explain why changes in attitudes and behavioral intentions are positively correlated in some situations but negatively correlated in others. Understanding these questions has important implications for the effective design of health communication messages.

We propose that the relationship between attitudes and behavioral intentions depends on the functioning of underlying cognitive processes. First, we assume that previous findings showing a positive correlation between changes in attitudes and intentions as a result of health communication messages occurs because both are formed through a relatively deliberate process which imitates System 2 cognitive functioning that is controlled, effortful, and involves forming underlying conceptual representations of the task at hand (Kahneman and Frederick 2002; Stanovich and West 2002). On the other hand, we hypothesize that certain types of health communication messages can activate automatic attitudes by bypassing the deliberate System 2 reasoning and that these changes in automatic System 1 attitudes can thus be negatively correlated from changes in behavioral intentions that are still formed deliberately.

A 2 (information: vivid vs. non-vivid) x 2 (number of enumerated disease exemplars: high vs. low) experiment was designed to test our hypotheses. We propose that when a vivid personal story attracts people's attention (McGill and Anand 1989), they will engage in relatively deliberate integrative processing of both the enumerated disease instances and the vivid information and use them to make the subsequent judgments (Burnstein and Schul 1983; Schul and Burnstein 1985). As a result, people in the high number condition will have higher deliberate attitudes of risk and correspondingly higher intentions to follow recommendations than people in the low number condition. However, when non-vivid information is provided and the enumerated disease instances

become the primary input for the subsequent judgments, automatic risk attitudes are activated and the high number condition will lead to the lower risk attitudes than the low number condition. In this case the high number of enumerated disease exemplars inhibits people's recall of the remaining cases, and the perceived difficulty of recalling specific disease cases decreases people's health risk perception (Alba and Chattopadhyay 1985; Raghubir and Menon 1998). This memory inhibition effect has been shown to be an automatic process that happens quickly, unintentionally, and effortlessly (Menon and Raghubir 2003). Since behavioral intentions are not influenced by information vividness (Keller and Lehmann 2006), they will still be formed deliberately and intentions will remain higher in the high versus low number condition. Thus the pattern of behavioral intention changes will diverge from the pattern of changes in the automatic attitudes. Experimental results confirm our hypotheses.

Using conceptual mapping technology (John et al. 2006; Lord 1994; Stuart 1985) we map the conceptual representations underlying deliberate health attitudes and behavioral intentions, and show that concept maps are more predictive of attitudes when they are formed through a deliberate process than when they are formed through an automatic process. We also identify conceptual associations that are important in influencing consumers' behavioral intentions which can be used in the design of health communication messages.

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## "Harboring Hope and Accepting Anxiety: The Role of Uncertain Emotions in Judgments of Health Risk"

*Nidhi Agrawal, Northwestern University*
*Geeta Menon, New York University*

How much am I at risk of getting hepatitis C? Does this message that presents risk factors for hepatitis C convince me that I may be at risk? Do I need to get tested for it? Raising such questions and prodding people into action is the focus of much of the communication intended to promote safe, precautionary and preventative behaviors in the context of health. One of the unique aspects of such communication is its inherently threatening and aversive undercurrent. A growing stream of research on health seeks to understand the factors that affect how people process health risk messages and to answer the question: When, why and how are messages effective in convincing people of their vulnerability? In this paper, we focus on the dual roles of *emotions* in the context of health messages: (a) when they are evoked by a health message (i.e., emotions as *consequences*), and (b) when they are incidental to the health message and thus affect the processing of such messages (i.e., emotions as *antecedents*).

A significant stream of research has examined the effect of affective states on judgments and decision-making. One such stream examines the effects of valence on responses to stimuli. Another more recent research stream examines the role of *specific emotions* (e.g., anger, sadness, peacefulness) in processing information and forming judgments (Lerner and Keltner 2000), with a focus on the effects of different emotions that share the same valence but differ on other characteristics. For example, anxiety and sadness are both negative affective states, but anxiety is a highly uncertain state whereas sadness is associated with lower levels of uncertainty. In the current paper, we identify how two appraisal dimensions of emotions, valence and uncertainty, interact to determine the persuasiveness of health risk messages. We bring together the literature on valence as a source of goals and resources

(Raghunathan and Trope 2002) and the literature on specific emotions to understand how emotions varying on valence and uncertainty interact. We report the results of three experiments in which we contrast the effects of health messages that convey more or less vulnerability to a disease.

In Experiment 1, we show that a message that communicates greater vulnerability leads to changes in uncertain emotions (e.g., hope and anxiety), but *not* certain emotions (e.g., happiness and sadness), regardless of valence. We also demonstrate that the effects of health messages that communicate different levels of vulnerability on risk perceptions are mediated through these observed changes in uncertain emotions. These results provide initial evidence that health messages influence risk perceptions through uncertain emotions, and form the basis for our theorizing in Experiments 2 and 3. In Experiment 2, we prime two negative emotions that activate a mood repair goal, and show more directly that the incidental or ambient experience of two different negative emotions varying on uncertainty affects processing of health information and perceptions of risk. When individuals experience negative certain emotions (e.g., sadness), they process the health message in more detail, presumably because such processing does not have deleterious effects on the specific certain emotion (as per the results of Experiment 1). But when people experience an uncertain emotion (e.g., anxiety), vulnerability has little effect—suggesting less message processing, presumably to protect against feelings of anxiety that would go against the emotion regulation goal of repair (Agrawal, Menon, and Aaker 2007; Zemack-Rugar, 2006). Therefore, people experiencing uncertain negative emotions are less likely to process a health message that communicates greater vulnerability. In Experiment 3, we prime positive emotions that induce people to be open to aversive information (Raghunathan and Trope 2002), and demonstrate that the message communicating greater vulnerability has more impact on risk perceptions than the one communicating lower vulnerability. Further, we demonstrate that this effect is larger when people experience uncertain positive emotions (e.g., hope) since they have a goal of uncertainty reduction and thus process the health messages to a greater extent compared to people experiencing certain positive emotions (e.g., happiness). Since processing the message increases the positive uncertain emotion being experienced (i.e., hope) as per Experiment 1, there is no incentive to resist such processing.

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### "No Pain No Gain: The Use of Negative Cues as Indicators of Health Benefits"

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Consumers often rely on internal or external cues, such as brand name, price, or presence of a warranty (Rao and Monroe 1989; Kirmani and Rao 2000) when inferring products' overall quality or unknown attribute values. For example, consumers may infer that a higher-priced bike helmet provides better protection in case of an accident than a lower-priced one. Indeed, consumers' intuitions or lay theories about the relationships among various elements of the marketing mix have been shown to affect inferences about missing product attributes, product choice, consumption enjoyment and actual product performance (e.g., Broniarczyk & Alba 1994, Chernev & Carpenter 2001, Raghunathan et al. 2006, Shiv et al. 2005). Extending this stream of literature, the present research examines consumers' inferences about product effectiveness in the health domain. Surprisingly, the literature is silent about the factors that influence perceptions of medicinal efficacy. Specifically, we focus on consumers' reliance on product detriments, such as the likelihood and severity of medicines' side effects, when judging their benefits, such as their effectiveness. Based on equity theory (Berkowitz and Walster 1976; Walster, Walster and Berscheid 1978), we suggest that consumers who desire to gain the health benefits believe that they need to suffer through the associated pains to get better in the end (i.e., no pain, no gain), which in turn influences their inferences about the effectiveness of health products. Additionally, we investigate the moderating role of involvement in the relationship between health risk and health benefit perceptions.

In particular, Study 1 demonstrates a three-way interaction between involvement with a health issue (low/high), frequency of side effects (rare/common) and severity of side effects (mild/severe) on perceptions of product efficacy. Specifically, those who are highly involved with the health issue (e.g., those who suffer from allergies) infer higher product effectiveness when mild side effects of the allergy medication are common than when they are rare. This effect is reversed for those who are less involved (e.g., those who do not suffer from allergies); product efficacy is perceived to be higher when mild side effects are rare versus common. A different pattern emerges when side effects are reported to be severe. When the side effects are severe, product effectiveness is rated equally regardless of involvement or frequency. These results lend support to our theorizing that individuals feel like they need to "pay" either by suffering severe side effects regardless of its rate of recurrence, or mild but common side effects in order for the medication to work. Additionally, results of Study 1 reveal an interactive effect of frequency of side effects and involvement. Specifically, allergy sufferers have a more favorable attitude toward the medicine when the side effects are common compared to when the side effects are rare. However, there is no difference in attitude toward the product for low-involvement individuals. In sum, the results of Study 1 support our prediction that consumers hold an implicit "no pain, no gain" lay theory regarding medicine and efficacy. In Study 2, we investigate whether this effect replicates using bad taste as a negative cue that may signal product effectiveness. We predict that consumers infer higher product effectiveness from cough syrups with bad (vs. good) taste. Additionally, this study seeks to shed light on the underlying process of the effects we obtained. In particular, given that in a normative sense health risks pertaining to side effects should not influence perceptions of health benefits, we predict that the inference process

consumers engage in is an unconscious one. To test this prediction, Study 2 also includes cognitive busyness manipulations. We expect that consumers will still infer efficacy of the product based on its bad (vs. good) taste when consciously focused on a secondary task (i.e., when cognitively busy).

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## "Consumer Perceptions of Traditional Chinese versus Western Medicine in China"

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*Hean Tat Keh, Peking University*
*Lisa E. Bolton, The Wharton School*

Traditional Chinese medicine (TCM) is an important form of health practice in China and other Asian countries. The world market for TCM is estimated at over $23 billion, with most of the growth coming from Europe and the USA. In China, TCM and Western medicine (WM) have coexisted for over 200 years, and both types of medicine are licensed and widely sold. The category is legally required to be marked on all drug labeling, and Chinese consumers are familiar with the categories when purchasing drugs for self-care. The question then arises: how do consumers perceive these drug categories, and what are the consequences for consumer behavior? Surprisingly, almost no research has examined this issue (but see Piron et al. 2000). The present research addresses this void.

*Perceptions*. We expect that consumer perceptions of WM and TCM will differ in several important ways. In TCM, medical success aims for an entire recovery and re-balance of the Yin and Yang (Science of Chinese Materia Medica 2003). In contrast, a focus on alleviating symptoms quickly seems more consistent with WM, which views diseases as cause-effect sequences (Compilation Committee 1998). Accordingly, we hypothesize that:

*H1*: TCM (vs. WM) is perceived to have (a) slower action and milder side effects and (b) greater focus on treating the underlying illness versus alleviating the symptoms.

*Preference*. We expect that these perceptions will, in turn, affect product preference. We propose that consumers will prefer the medicine that is more consistent with their treatment time-frame and goals (either symptom alleviation or cure of the underlying illness). Thus,

*H2*: Consumers will prefer a) WM when the time-frame is relatively short and b) TCM when the goal is treatment of the underlying illness.

The relationship between symptom and disease is, of course, an uncertain one. When uncertainty is low, consumers can easily identify a cause-effect relationship and may prefer WM for its precise remedy. In contrast, when uncertainty is high, the same symptom may arise from any number of causes, known or unknown. TCM's philosophic-scientific based approach tolerates more uncertainty and ambiguity (Ma 1994); thus,

*H3*: Ceteris paribus, consumers will prefer TCM (WM) when uncertainty about the cause of a symptom is high (low).

We also investigate how causal uncertainty will interact with time-frame and treatment goals to affect preference. First, we hypothesize an interaction of uncertainty and time-frame such that consumers will prefer TCM over WM—except when the cause of the illness is certain *and* the time-frame for treatment is short (H3a). Second, we hypothesize an interaction of uncertainty and treatment goal such that consumers will prefer TCM over WM—except when the cause of the illness is certain *and* the treatment goal is to alleviate symptoms (H3b).

*Healthy Lifestyle Consequences*. We also expect that the consumption of TCM versus WM will have consequences for complementary health-protective behaviors that contribute to a healthy lifestyle. In TCM, re-balance in Yin and Yang requires both the assistance of herbal and other treatments and specific health-promoting habits. In contrast, WM has been shown to undermine intentions to engage in complementary health-protective behaviors (Bolton, Cohen, and Bloom 2006). Accordingly,

*H4*: TCM (vs. WM) will enhance intentions to engage in healthy lifestyle behaviors.

*Empirical Work*: Studies 1A and 1B investigate qualitative and quantitative responses to TCM and WM for a variety of illnesses, providing a preliminary test of H1-H3. Study 2 provides further evidence for H3a with a specific symptom and drug treatments. (An additional study testing H3b is currently underway.) And finally, study 3 investigates the consequences of TCM versus WM on healthy lifestyle intentions, providing an empirical test of H4. (A follow-up study is also underway.) All studies thus far were conducted among Chinese consumers (undergraduate and graduate students at a university in Beijing). Findings of the four completed studies thus far support our hypotheses. To our knowledge, the present research is the first attempt to provide a conceptual framework to understand how Chinese consumers make health-care choices, specifically between TCM and WM. We argue for the interplay of three factors: treatment characteristics (e.g., consumer perceptions of TCM and WM remedies), symptom/illness charac-

teristics (e.g., consumer perceptions of causal uncertainty), and consumer and situational characteristics (e.g., treatment goals and time-frame). Such a framework is grounded in consumer perceptions of the decision space, thereby bringing to bear consumer lay theories and cultural knowledge that may guide health care choices (cf. Molden and Dweck 2006, Briley and Aaker 2006). Indeed, we suggest that examining consumer health care choices within such a framework represents a fruitful avenue for future research in China and elsewhere.

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# SYMPOSIA SUMMARY
# Understanding the Role of Co-Creation in Fantasy and Fun
### Andrew Baker, Georgia State University, USA

## SESSION OVERVIEW

There is growing dialogue among consumer researchers relating to how consumers engage with producers to co-create meaning and value through consumption. As such, this session focuses on co-creation in contexts rich in fantasy and fun, topics frequently identified as having great theoretical importance but often underrepresented in research. Researchers interested in co-creation, online communities, fantasy, identity, online gaming, and emancipatory consumption contexts will likely find this session appealing.

As consumer researchers have become increasingly attentive to consumers as partners in the production of value, important questions arise. How and why do consumers negotiate the co-creation of fantastic and fun experiences with producers? What are the consequences and outcomes of co-creation to consumers in such contexts? Is the firm necessary for consumers to co-create valuable fantasy and fun?

Based on data and findings in four studies, this session explores such questions in four empirical fantasy contexts –video games, the digital world of Second Life, Renaissance festivals, and live action role playing communities. The collective analysis provides new insights illuminating how co-creating with both producers and other consumers is an imperative component of creating value in fantasy consumption.

Sayantani Mukherjee and Alladi Venkatesh investigate how young adult video game players actively negotiate and co-construct fun experiences by using both consumer and marketer resources through three strategies–dynamic goal-setting, limited mastery, and building intertextual linkages across media channels.

Clinton Lanier and Ronald Hampton provide a resource control perspective of consumer participation, characterizing co-creation as when consumers take the greatest control over the resources in the market offering. How consumers engage in fantasy experiences at renaissance festivals is identified with consumer participation progressing along a "fantasy life-cycle." As the consumer's involvement in consumption fantasies change, so does the level and nature of involvement with co-constructing the fantasy experience with other producers or consumers.

Gulnur Tumbat and David Horowitz explore how postmodern consumers are able to take command of the market by producing their identities with other consumers instead of creating identity through only passive consumption. In the investigation of the digital world of Second Life, the authors identify many consumers who are using this fantasy world to become the producers of tastes consumed by others–thus becoming lauded culture creators.

Andrew Baker and Carolyn Curasi investigate how the members and firms of live action role playing (LARP) consumption communities negotiate the co-creation process. During a netnographic analysis of one such LARP group, evidence suggests that tensions emerge between community and firm when consumers do not achieve co-creation. In such rich fantasy contexts, achieving co-creation of identity with the firm may be an important antecedent to satisfaction.

Finally, Dr. Eric Arnould of the University of Arizona will be the discussant, weaving together the empirical discussions and providing his own perspectives to extend the theoretical implications of co-creation in fantasy and fun.

## EXTENDED ABSTRACTS

### "Co-Creating Fun: Insights from Young Adults' Engagement with Video Games"
*Sayantani Mukherjee, California State University, Long Beach*
*Alladi Venkatesh, University of California, Irvine*

In recent years, there has been a growing prominence of the fun concept in the marketing environment. With the proliferation of entertainment products, "fun" is emerging as an important goal for product development (Norman 2004). Further, within consumer research, fun is recognized as a central element in experiential consumption (Holbrook and Hirschman 1982). Pervasive in both marketing theory and practice is the notion that consumers experience fun passively, and as an outcome of engaging in playful and leisure consumption. This has led marketers to impart fun with an objective meaning which they can effectively structure, design and control (Norman 2004). Consequently, not only do we have limited knowledge of the active role of consumers in constructing fun experiences, but we also have very little understanding of the co-creative role of producers and consumers in generating fun. Given the considerable topical relevance of consumer-centric value creation (Arnould, Price and Malshe 2006, Vargo and Lusch 2004), this gap in the literature is significant.

In this paper, we examine the practices through which consumers negotiate fun experiences. In doing so, we use insights from young adults' participation in video gaming. In recent years, playing video games has evolved from a minority activity to mass entertainment generating over $10 billion a year in retail sales. A growing number of young adults are substituting traditional media such as TV with interactive media such as video games so much so that this segment is referred as the "Nintendo generation" (Miles 2000). Consequently, marketers are increasingly using video games as an advertising platform to reach out to this segment (Guardian 2006). Moreover, enhancing the fun element in video games is critical in the success of in-game advertisements (Economist 2006).

We theoretically ground our study by drawing on research that specifically focuses on the fun concept. Existing work on fun is scant but scattered across different disciplines including consumer research, human-computer interaction and sociology. Integrating these disciplinary perspectives, we conceptualize fun as a holistic experience that is fundamentally related to elements such as play (Goffman 1961), efficacy (Celsi, Rose and Leigh1993), emotions (Desmet 2003) and flow (Csikszentmihalyi 2000). In addition, we also draw on research focusing on consumer co-creation within experiential contexts (Kozinets et al. 2004, Arnould and Price 1993). These studies provide the basis for theorizing how consumers negotiate fun within video game play.

We use a combination of projective techniques (Belk, Ger and Askegaard 2003; Zaltman 1997) and semi-structured interviews (McCracken 1988) for collecting data. Interviews were conducted with fifteen young adults between the ages of 18-24 years. The only recruitment criteria used is that participants should have played video games. We defined video games in the broadest sense as "any form of computer-based entertainment software, either textual or image-based, using any electronic platform such as personal computers or consoles and involving one or multiple players in a physical or networked environment" (Frasca 2001, 4). Using varied

forms of video games yields greater possibility of uncovering a broad range of consumer interpretations. We follow guidelines of grounded theory (Strauss and Corbin 1998) for data analysis.

Our findings suggest that young adults are active participants in constructing their fun experiences. In particular, we identify three strategies: dynamic goal-setting, limited mastery and building intertextual linkages, which highlight the diverse ways in which consumers employ marketer and consumer generated resources to co-create fun. First, the strategy of dynamic goal setting encapsulates the fact that young adults negotiate challenge, a foundational element of fun by dynamically setting demanding goals for themselves. This is manifested in consumer actions such as "modding" where players modify a pre-defined game structure. Marketer created product offerings such as video game design is vital to the success of this strategy. The fluidity and ambiguity built by designers within video games allows young adults to experiment with the game structure. The key point here is that actions such as modding implicates a creative engagement on the part of consumers to transform marketer generated resources for the purpose of constructing fun. Second, consumers employ the strategy of limited mastery to negotiate relational aspects of fun. In limited mastery, young adults reduce experimentation in the game so that they can allot time for socializing with other consumers. Although, mastering the basic skills is essential for efficient game play, more complex game features are rendered irrelevant. The limited mastery strategy suggests that consumers are selective in mobilizing market based resources (game levels) as well as their own competencies (game related skills) to negotiate fun. In addition, young adults employ the strategy of building intertextual linkages: associating content across media channels such as video games, movies and books to negotiate relational aspects of fun. On the one hand, intertextual referencing displays marketer engineered multiplicity in media channels with similar content. On the other hand, young adults deploy intertextual referents as a mediating resource for social bonding and spontaneous interactions, both central elements of fun.

Our findings highlight the importance of reformulating our notions of fun from an interior experience to a process that is inextricably linked with the concrete actions of consumers and producers. To that extent, the consumer strategies that we discuss shed light on the importance of marketer generated resources in the construction of fun. Further, our study suggests that consumer-centric resources are vital, especially when fun is jointly produced at a relational level between consumers.

### "Consumer Participation and Experiential Marketing: Understanding The Relationship Between Co-Creation and the Fantasy Life Cycle"
*Clinton Lanier, Jr., University of Nebraska, Lincoln*
*Ronald Hampton, University of Nebraska, Lincoln*

Current marketing research has focused on a shift in the dominant logic of marketing from a goods-centric logic to a service-centric logic (Vargo and Lusch 2004). While the goods-dominant logic views consumers and producers as separate entities with different goals, the service-dominant logic views consumers and producers as intertwined in the creation of value. But as both goods and services become more commoditized, marketers are increasingly adding experiential components to their offerings to increase the value proposition (Pine and Gilmore 1999; LaSalle and Britton 2003; Marconi 2005). This raises the question: what affect do these experiential components have on the co-creation of value? In previous work, we argue that consumers engage marketing experiences through a mediating fantasy (Lanier and Arnould 2006; Lanier 2007). This paper explores how consumer participation in a

marketing experience changes as customers move through the fantasy cycle.

One of the foundational premises of the new service-dominant logic is consumer participation in the value creation process (Vargo and Lusch 2004). We argue that consumer participation can be divided into three main types: 1) co-optation, 2) co-production, and 3) co-creation. Co-optation is the process in which consumers assume duties once performed by producers (e.g., self-service technologies) (Meuter et al. 2000). Co-production is the process in which consumers participate in the design/production of the product (Bendapudi and Leone 2003). Lastly, co-creation is process in which consumers extend or alter the product beyond its original and/or intended form, use, and/or meaning (Lanier and Schau 2007). These three forms of consumer participation can be thought to exist on a continuum (co-optation ←→ co-production ←→ co-creation) based on the degree of control over the resources associated with the market offering.

In order to understand how consumers participate in a marketing experience, we utilize symbolic convergence theory (SCT). SCT is a communication theory that explains the role of fantasy in collectively shared experiences (Bormann, Cragan, and Shields 2001). SCT maintains that fantasies are jointly created interpretations of experiences that give meaning to human actions. Participation in a fantasy usually follows five stages: consciousness-creating, consciousness-raising, consciousness-sustaining, consciousness-decline, and consciousness-terminus (Bormann, Cragan, and Shields 1996; Cragan and Shields 1992). We extend SCT by arguing that individuals utilize different resources as they move through and jointly participate in this "fantasy life-cycle."

This research utilizes ethnographic methods in the collection of data (Emerson, Fretz, and Shaw 1995; O'Reilly 2005). Non-participant and participant observation was conducted at five U.S. Renaissance festivals. In addition, depth interviews with both consumers and producers were conducted. We chose this context for four reasons: 1) the festivals embody all four elements (i.e., entertainment, educational, esthetic, and escapism) of a marketing experience (Pine and Gillmore 1999), 2) they are based on a rich, though broadly construed theme, 3) they are accessible to a wide range of participants who vary in terms of their participation, and 4) they encourage customer participation. To locate informants, we utilized both purposive and snowball sampling. Data were analyzed using analytical coding techniques and a constant comparative method (Miles and Huberman 1984; Spiggle 1994; Strauss and Corbin 1990).

Our findings indicate that consumer participation in the Renaissance festival experience changes depending on which stage of the fantasy life-cycle the customer is in. In the creating stage, consumer involvement is typically low as consumers learn about the festivals and begin to construct their fantasies. Because of this, consumers typically engage in co-optation by utilizing resources provided and controlled by the producer and that require little investment on the part of the consumer. In the raising stage, involvement in the experience grows as the consumers begin to work with the producers to enhance their fantasy engagement. As a result, consumers engage in co-production by utilizing resources that require a larger investment, but which are jointly controlled by the producer and consumer. In the sustaining stage, involvement has reached its peak and consumers search for new ways to sustain their fantasy engagement in the experience. In this stage, consumers engage in co-creation by utilizing resources that require a heavy investment (e.g., time, energy, money) and which are now primarily under their control. In the decline stage, consumer involvement begins to wane as consumers begin to run out of resources to keep their fantasies going. In this stage, consumers will once again

engage in co-production as they try to work with the producers (or other consumers) to modify aspects of the festivals in order to generate new resources to maintain their involvement. In the terminus stage, consumers seek to re-enchant their fantasies through co-optation in two ways: 1) the consumer becomes the producer (e.g., consumers are often asked to participate as employees of the festivals) or 2) the consumer work with other consumers to produce a new experience (e.g., medieval reenactment). It is important to note that not all consumers move through these stages. Many consumers desire to maintain a certain level of involvement and investment in the experience and thus stay at a particular stage throughout the life of their fantasy engagement.

Based on our research, we discovered that consumer participation in a marketing experience often changes over time due to the development and involvement of the consumer's fantasy. At Renaissance festivals, participation often starts as co-optation, moves to co-production, develops into co-creation, moves back to co-production, and then ends with a more evolved form of co-optation. The fantasy engagement of the experience requires a certain amount of exposure, learning, acting, modification, and control in the experience. The different types of participation in the festival allow consumers to develop their fantasies and engage the experience in new and exciting ways. Consequently, consumer participation differs significantly in each stage and requires different resources and strategies to fully participate in and engage the experience over time.

### "Culture Creators: Co-Production in Second Life"
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While the (postmodern) consumption landscape has been characterized as a place where consumers produce meanings, identities, and experiences through co-production (see Arnould 2007, Penaloza and Venkatesh 2006), this production is typically conceptualized in the B2C sense wherein the corporation still controls the means of production to a great extent (i.e. "built-to-order," "design-to-order," "invent-to-order" (Firat and Dholakia 2006, p. 138). In their example of online games, Firat and Dholakia (2006) state that "corporate marketers are fighting hard to prevent the players and their communities from 'owning' the rights to their digital creations." Alternatively, in Web 2.0, corporations provide the platform upon which consumers produce and share their original content (and even hold the ownership). Furthermore, Holt offers the view that "consumption can be conceived as a field of social life that is organized by the expression of tastes (1997, p. 343)."

Can production then be conceived as a field of social life that is organized by the *creation* of tastes? The power of these Web 2.0 sites is that they allow consumers to produce their own narratives and myths. As culture creators (those who create media that others consume), consumers are able to forge their identity in the world in a rather more meaningful manner than they could through consumption alone. Based on virtual ethnographic data in Second Life, we examine how productive consumers liberate themselves by creating their own myths, narratives, and identities. Second Life, virtual world created by Linden Lab of San Francisco, is a place to socialize via one's avatar or onscreen graphic character. These Second Life "residents" can build just about any object from scratch, using LEGO-style building blocks from onscreen menus, and use them on virtual plots of land for sale or rental. Unlike in any other virtual world, residents own their own creations, so they can buy and sell them freely with virtual currency that is readily convertible into or out of U.S. dollars. A real economy has sprung up inside Second Life, in which more than $5 million worth of

transactions in real U.S. dollars are conducted each month among the active 900 thousand residents of the now 2.7 million population (Enright 2007). Several thousand people run real businesses inside Second Life, some making enough to earn a real-world living. As a result, this consumer driven and consumer created virtual world and its economy attracts real-life brands as well (e.g., Nike; offers virtual shoes make avatars run faster!).

It would be too much of a stretch to call what is going on in Second Life as a game because the "residents" create everything in this digital parallel universe where they fully control their avatars and other creations. Although it does not translate into consumer emancipation (Kozinets 2002), this ability of consumers to forge an identity through productive consumption is very meaningful to them even in this predominantly fantasy context. Firat and Venkatesh (1995) describe how the postmodern "consumer finds his/her liberatory potential in subverting the market rather than being seduced by it (1995, p. 251)."

We feel that this idea of marketplace subversion needs further attention. Is it only marketplace subversion that leads consumers to find their liberatory and creative potential? The methods used in order to find answers to these important questions include a virtual ethnographic study where the authors create their own avatars and interact with the other residents of the Second Life. In addition to the field notes from the "virtual field site", "virtual interviews" with avatars in Second Life and online interviews with their owners in the real world are conducted.

We support the theory and extend it such that it is not solely people's goal to undermine the market, but rather to be able to create their own tastes in it. Consumption, or expressing one's tastes (Holt 1997) is easy, but creating the tastes that others consume is relatively more difficult. When consumers are able to create tastes and have others consume these tastes, they become what we call culture creators and become not just liberated, but lauded as well. The recognition that culture creators receive from their peers makes them feel respected, admired, and as though they have forged a meaningful identity in the world. An examination of this shift in the means of production, combined with an analysis of the socio-historical context that consumers live in today provides multiple insights into how consumers are using these Web 2.0 sites to be culture creators and advance marketing theory on the relationship between production and consumption.

### "Consequences of Co-Creation in Fantasy-Based Consumption Communities: Netnographic Analysis of a Live Action Role Playing Organization"
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The role of imagination and fantasy has been characterized as an essential component of many consumption experiences (Belk and Costa 1998; Kozinets 2001). Although researchers (Holbrook et al. 1984; Holbrook and Hirschman 1982) have sounded the call to investigate the role of play in consumption experiences, the extant consumer research on playful and fantastic consumption contexts remains largely uncharted.

One new stream of research that may shed light onto fantasy consumption is co-creation. Prahalad and Ramaswamy (2004) explain that co-creation transcends the traditional, firm-centric creation of intimate customer experiences. Instead, co-creation is a two-way interactive relationship that consumers and producers engage in to co-create highly personalized services and products. Others have also characterized co-creation as blurring the traditional boundary between marketer and firm as producer/consumer (Arnould 2007).

Recognizing the importance of increasing our understanding of both co-creation and fantasy consumption, our research proposes that there is an essential relationship between fantasy consumption and co-creation. We propose that the emerging logic of co-creation is in part driven by the idea that consumption is fundamental to identity creation and self-representation, key constructs for examination in both fantasy consumption (Belk and Costa 1998) and communities (Firat 1991; Schouten and McAlexander 1995). Numerous studies have explored how the consumption of marketing objects are part of consumers' self-presentation and identity projects (Kozinets 2001; Schau and Gilly 2003). We suggest that, coupled with the concept of the contemporary consumer, co-creation extends into a concept of *co-creation of identity*. The consumer is no longer merely using consumption shaped and provided by the marketer to create identity, but instead conducts the self-identity project as part of a two-way collaboration with the marketer.

This research explores how the co-creation process is negotiated between marketer, consumer, and consumption communities. A netnographic study (Kozinets 2002) was used to examine the process and outcomes of co-creation between consumer and marketer within a thematic consumption community that is deeply embedded in fantasy–the national live action role-playing (LARP) organization, ActionGame International. The research question of interest emerged from early exploration of several LARP community forums, as consistent with the constant comparative method (Glaser and Strauss 1967) and naturalistic inquiry (Belk, Wallendorf, and Sherry 1989). ActionGame was the focus of the study as the data suggest an interesting dynamic was taking place between the marketer and the community. Five ActionGame community forums were explored in detail, while several blogs and personal electronic communications further supplemented our findings.

The data provide evidence that there is tension and conflict between the community and marketer, often resulting from the community perception that the marketer is not a partner willing to engage in a desired level of co-creation required to fully achieve desired immersion in the ActionGame consumption fantasy. These findings juxtaposed other personal stories of deep, immersive successful co-created fantasy experiences that were accompanied with highly favorable responses toward marketers. The data suggest that a consumer's perception of a successful co-creation experience may be essential to satisfaction in immersive fantasy consumption.

The findings further indicated there may be consequences when a consumption community perceives the marketer to hinder co-creation. In such cases, the data revealed that negative personal characteristics were ascribed to the marketer, as though the marketer was being rejected as a legitimate member of the community. Despite such vivid sentiment, schisms or abandoning ActionGame in favor of another LARP (of which there are many) did not appear to be a dominant strategy. Our findings suggest that community members may be so passionate about co-creating the fantasy experience between other community members and the consumption object (ActionGame) that the negative perception of the marketer (ActionGame National) is simply not strong enough to dissuade most members from abandoning the strong community and brand bonds that have been developed.

The study of this fantasy consumption community offers some interesting theoretical extensions of our understanding of consumption communities and co-creation. Through the lens of co-creation we provide a potential reason for tension in the relationship between a consumption community and the marketer. We posit that community-marketer conflict may emerge when community members perceive that the marketer has violated their responsibility in an implicit co-creation contract. However, when faced with a failed co-creation experience with the marketer, communities with the proper resources and conditions may pursue strategies that allow co-creation among the community itself as a substitute or recourse. In other words, the co-creation process from consumer-to-community may create enough value to overcome the loss of the failed marketer-to-community co-creation. This may be particularly relevant in fantasy consumption settings, as the resources required for fantasy consumption may be easily accessible to consumers who desire to engage in immersive fantasy.

McAlexander's, Schouten's and Koeing's (2002) findings, as well as observations by Cova (1997) and Muniz and O'Guinn (2001), have suggested customer-community interpersonal relationships are the strongest of the consumer bonds formed in brand communities and are powerful mechanisms to retain community membership. Our findings suggest a theoretical extension: when the value and meaning of the brand can be predominantly created by interpersonal co-creation, consumers may continue passionate brand and community affiliation even during substantial perceived failings by the marketer.

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# What Drives Word of Mouth: A Multi-Disciplinary Perspective

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## SESSION OVERVIEW

Word of mouth (WOM) has long been regarded an important, but hard-to-manage market force. Katz and Lazersfeld (1955) list word of mouth as the most influential source of information for consumers, and since then studies repeatedly found the importance of WOM. Faced with a rapid decline of consumer trust in traditional advertising, companies are looking for different ways to promote their products, and word-of-mouth marketing has gained ground as a powerful communication tool. Lately, practitioner interest in WOM has surged, as demonstrated by the launch of the word-of-mouth marketing association (WOMMA), and the rise of companies such as *BzzAgent* in the USA, and *Buzzer* in The Netherlands.

Researchers have examined the process by which WOM spreads and influences people at the individual level (e.g., Herr, Kardes and Kim 1991) or between consumers (e.g., Reingen and Kernan 1986). Ryu and Feick (2007) examined how marketers can use incentives to stimulate word of mouth. Some of the more recent studies have focused on online word of mouth because this medium allows researchers to better track the process (e.g., Godes et al. 2005).This symposium focuses on the factors that drive people to spread word of mouth. Although this issue has been touched upon in prior work, we believe it deserves additional attention, and have collected a set of papers that focuses on (1) product-related drivers of WOM, (2) marketer-created drivers of WOM, and (3) consumer-related drivers of WOM. Each of the papers represents multiple studies and together they provide substantial coverage of the wide array of factors that motivate consumers to talk about products. At the conference, the papers were discussed by Professor Donald Lehmann of Columbia Business School.

## EXTENDED ABSTRACTS

### "The Different Roles of Product Originality and Usefulness in Generating Word of Mouth"

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While studies agree that word of mouth (WOM) is important to new product success, there has been little systematic research that examines the drivers of WOM, in this context. In this paper we explored how the two dimensions of a new product, originality and usefulness, affect WOM and its influence on ultimate adoption. We showed that, contrary to what some have suggested (e.g. Cooper 1979; Henard and Szymanski 2001; Mishra, Kim, and Lee 1996), originality does not increase product sales, but it enhances the buzz about the product. Usefulness, on the other hand, drives the valence of WOM, i.e., whether the buzz is positive or negative. Thus, high originality accompanied by low usefulness is likely to increase amount of negative WOM, and lead to rapid failure. We report three studies that empirically explore our theses about how originality and usefulness influence the amount and valence of WOM about a new product, and how this in turn affects market size.

Research shows that more original new products elicit greater levels of WOM than less original products (e.g. Bone 1992; Feick and Price 1987). But originality will not generate only positive WOM. Originality is likely to lead to feelings of surprise, which can

lead to both positive and negative WOM (Derbaix and Vanhamme 2003). Thus, while increasing originality may lead to increasing levels of WOM, the valence of the WOM can also be negative. If so, contrary to what has been implied in the past (e.g., Henard and Szymanski 2001), originality alone may not be sufficient to ensure product success. The valence of WOM may be determined by product usefulness: Research shows that useless products are evaluated poorly and are highly correlated with failure (Dahl, Chattopadhyay, and Gorn 1999; Mishra et al. 1996). Several studies have also found that high product performance generates positive WOM (Derbaix and Vanhamme 2003; Dichter 1966; Sundaram, Mitra, and Webster 1998), while product malfunction generates negative WOM (Anderson 1998; Sundaram et al.1998).

We therefore hypothesize that product originality will lead to high amount of WOM, while high product usefulness will lead to positive WOM and low product usefulness will lead to negative WOM. Since originality and usefulness have different roles in generating WOM, an increase in usefulness will increase positive WOM, especially for original products, and a decrease in usefulness will increase negative WOM, especially for original products. We therefore expect to see an interaction between originality and usefulness on the valence of WOM. Taken together, these hypotheses run counter to current thinking, which suggests that originality per se can drive new product success (Henard and Szymanski 2001; Mishra, Kim, and Lee 1996). They qualify the accepted wisdom by suggesting that originality, when combined with low usefulness, may produce strong negative WOM, leading to new product failure.

If indeed the suggested product dimensions, originality and usefulness, motivate consumers to spread WOM, their effect should be evident in product diffusion patterns. If originality increases the amount of WOM, it will also intensify the Bass imitation coefficient (Bass 1969), which represents WOM in the adoption process. Product usefulness, on the other hand, will create positive WOM that will increase market size. The combination of high originality and high (low) usefulness will increase (decrease) sales dramatically.

In order to show the different roles originality and usefulness play in the creation of WOM, we conducted five studies: Study 1 measured perceived product dimensions and WOM intentions of 20 new products, as rated by 226 MBA students. Results supported that originality increase amounts of WOM, including positive and negative WOM, while usefulness affected the valence of WOM by increasing positive WOM and decreasing negative WOM. We also found the interaction between originality and usefulness. These results were replicated in Study 2, which used a 2X2 between subjects design and manipulated the originality and usefulness of the products. Study 3 used a similar design as Study 2 to explore the effect of originality and usefulness on perceived likelihood of product success. We found that consumers believed that product usefulness will lead to success while product originality had no direct effect. Originality, however, can amplify the effect of usefulness. Studies 4 and 5 used sales data to reaffirm that originality and usefulness have different roles in the diffusion of innovation. As we hypothesize, we found that originality increases the imitation Bass coefficient (WOM), while usefulness, by determining the valence of WOM, affects market size and, thus, product success. We did not

find the interaction between originality and usefulness on market size, possibly because we did not have low usefulness products in the data.

The literature in marketing claims that in many cases WOM is crucial to product success, as are originality and usefulness. It is therefore interesting to understand how these dimensions affect WOM and, thus, product success, and consequently learn how marketers can manage WOM to their advantage. We showed that originality and usefulness have different roles in generating WOM and in determining whether a product will be successful. While previous studies extensively examined these two dimensions separately, for the first time we explored a detailed model of (1) the two dimensions together and the interaction between them, (2) their effect on both positive and negative WOM, and (3) the consequent effect on product success. We looked at the model from the intention to spread WOM as reported by consumers, and how they are reflected in actual sales of products.

**"Opening the Black Box of Buzzing Bloggers: Understanding How Consumers Deal with the Tension between Authenticity and Commercialism in seeded Word of Mouth Campaigns"**
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Faced with a rapid decline of consumer trust in traditional advertising, companies are looking for different ways to promote their products. Consumers are no longer seen as mere recipients of marketing messages, but they are increasingly solicited by companies to participate in the conception and spread of these messages. Hence, word-of-mouth (WOM) marketing has gained ground as a powerful communication tool. The strength of WOM as opposed to marketer-generated messages is that consumers are considered to have no commercially motivated reason to share information (e.g., Bone 1992). However, how is the transmission of information between consumers affected when companies induce some to act as WOM agents? In terms of the Persuasion Knowledge Model (Friestad and Wright 1994), these consumers take on a dual role, being both target and agent in the WOM episode. This duality is likely to cause internal and external pressures due to cultural contradictions between the roles of consumer and marketer–the ultimate question being: Is it an authentic recommendation or is one selling-out?

This paper takes a holistic, macro perspective to examine how consumers deal with this duality. We use the method of netnography to study a product-seeding campaign involving bloggers. Observations, over time, of what bloggers write about product and campaign, as well as analyzing their readers' comments, allows for a deep contextualization of how consumers perceive, and deal with marketer-induced WOM. Specifically, we are interested in the strategies that consumer-agents use to reconcile their credibility as an authentic consumer with their role of agent acting on behalf of the company.

We use data of a product-seeding campaign that took place in the summer of 2006 in six Canadian cities. Ninety bloggers, selected for their wide readership and urban lifestyle, received a mobile camera phone with accessories and tutorial. Bloggers in the sample are between 22-45 years old; 41% is female. Among them, we find photographers, graphic designers, writers, software programmers, consultants, and administrative personnel. We collected integral blog entries of all 90 bloggers from approximately three months prior to seeding, to approximately three months after. Our total research volume amounts to circa 2000 pages of single-spaced

text and visual data. In first instance, our content analysis has focused on the blog entries surrounding the moment of seeding. We have amassed, coded, compared, and collapsed postings to form categories of strategies that consumer-agents employ to deal with the tension between credibility and commercialism (cf., Spiggle 1994). To further our understanding of seeded WOM, we also compared data in each category with other postings in our dataset in which bloggers engage in 'natural' WOM.

Although bloggers were not obliged to talk about the seeded product, 84% mention it on their blogs. Preliminary analysis of our netnographic data reveals that the majority of bloggers is open about the fact that they received the product for free. However, disclosure is framed in various ways, indicating different strategies of coping with the duality of being consumer and marketer. Some bloggers make a statement like the following: "About a month ago, I received a free X phone. [..] I was asked to blog about my experience with the phone–what I liked and didn't like" (Lucia). Others give full information about the seeding campaign, oftentimes including links to the companies involved, and listing the requirements used to qualify as influencer. Whereas the first strategy accepts the dual role as a 'fait accompli', the second seems to be driven by two emotions: excitement and discomfort. Part of the bloggers is delighted to have been selected for the seeding campaign and to receive an (expensive) product for free: "I am thrilled to say that I am qualified! So look for reviews, photos, and videos (!!!) starting sometime next week taken on my new shiny X" (Jeremy). They happily embrace their role as marketer, and communicate details about the campaign to help their readers apply for a free product too. However, others feel the need to explain the campaign and their involvement: 'I am thankful I met the criteria, and it worked out perfectly as I was just starting to look for a new phone as well. It is all voluntary, no obligation or contracts. I don't have to do any of this, but since I usually write reviews like this anyways, I have no problem writing a voluntary review as thanks for getting a phone and gear for free, and I'll even be impartial about it." (Blaine). Consumers like Blaine show implicit discomfort with their dual role: campaign details are given to imply that one has nothing to hide. Finally, there are consumers that ridicule their role as agent: "I rarely initiate conversations about the phone, but when they start, oh then I go into celly-love gushing mode. [..] This all sounds like a carefully crafted product placement, doesn't it? I told you, I am an advertiser's dream" (Paige).

Thus, most consumer-agents *accept*, *embrace*, *ridicule*, or *apologize* for their role as semi-marketer. A few *ignore* this role vis-à-vis their readers by mentioning the product, but not the seeding campaign. Our analysis indicates that strategies are chosen for their effect on blog readers.

**"Talk, Talk, Talk: Consumer Motives for Word-of-Mouth Referral"**
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*Carolina M. Buijs, RSM Erasmus University, The Netherlands*
*Andrea Zethof, RSM Erasmus University, The Netherlands*

Word of mouth (WOM) has long been regarded as an important influence on consumer behavior. Interest in this area has recently surged, as evidenced by recent studies of, among others, Ryu and Feick (2007), East et al. (2007), and Godes et al.(2005). Most of these studies, as well as the more classic work have looked at the effectiveness of word of mouth, examining the process by which WOM spreads and influences people at the individual or market level. In this paper we focus on the question of why people engage in word of mouth. We felt there was a need for an extensive study that examines consumers' motives for word of mouth and relates these to different aspects of WOM behavior, and to con-

sumer personality characteristics such as opinion leadership and market mavenism. Our study focuses on positive word of mouth (also known as "referral"), and does not look at negative word of mouth (cf., Goldenberg, Libai, Moldovan and Muller 2007).

In a first study, we conducted about two-hundred face-to-face interviews with consumers in The Netherlands, applying the Critical Incident Technique (CIT). We asked these consumers to describe a recent instance in which they referred a service to another consumer. We also asked the consumers why they referred this particular service to the other consumer, and what triggered their referral. Interviews typically lasted between 15 and 30 minutes. The interviews were transcribed and coded by four independent coders, following standard procedure for CIT studies: Two coders developed a coding scheme on half of the data, and then two independent coders applied this scheme to the entire dataset. The coding proved to be reliable. From these analyses, four different motives for referrals emerged, namely product enthusiasm, self-presentation, helping consumers and helping the firm. *Product enthusiasm* refers to the extent to which consumers are satisfied or delighted with the service or product. *Self-presentation* includes instances in which consumers wanted to demonstrate their knowledge, expertise, or good taste. *Helping consumers* refers to situations were consumers wanted to help the other consumer make a better decision, and *Helping the firm* refers to situations were consumers felt sympathy for a firm and wanted to help them succeed. These motives are similar to the ones suggested by Dichter (1966), and the motives uncovered by Sundaraman et al. (1998) in a smaller scale study. Additional analyses of the interview data revealed that these motives relate to different attributes of the referred service, and that different motives are important in different types of customer relations.

The next phase involved preparations for a more quantitative approach to uncovering the roles of the different motives for word of mouth, which would also allow us to link the different motives to other variables, including WOM activity, and personality characteristics like opinion leadership and market mavenism (Feick and Price 1987). Based on the motives established in study one, we developed a set of scale items to measure these motives. These items were discussed with a small panel of consumers and experts in order to come to a first set of items, that was further refined in two prestudies, involving two waves of small-scale surveys.

Phase three involved the administration of our scales to a panel of consumers, who filled out a survey that related to "a recent instance in which they referred a product to others." This survey included a number of measures to gauge the consumer's WOM activity and behaviors, including the amount of word of mouth spread, the number of people that were reached, and the persuasiveness of the WOM. This survey also included measures of the consumers' innovativeness, market mavenism, opinion leadership, and product expertise and involvement. In addition, we measured the tie-strength of the relationship in which the WOM occurred and whether the WOM was initiated by sender or receiver (cf., East et al., 2007).

Our first analyses show that the four WOM motives contributed significantly to the explanation of WOM activity, over and beyond the impact of well-established factors like expertise, market mavenism and opinion leadership. We also find support for the notion that different motives affect different aspects of WOM.

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# New Insights in Consumer Point-of-Purchase Decision Making

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## SESSION OVERVIEW

Many consumer purchases are not the result of extensive pre-planning, but are instead a function of decisions made at the point of purchase. It is hard to overestimate the importance of point-of-purchase decision making, both in terms of frequency—making these decisions, in some ways, prototypical of consumer decision making—and in terms of dollars spent. Despite its importance, there has been paucity of research on factors that influence consumer decision making at the point-of purchase.

The papers in this symposium use multiple research methods to provide new insights into the consumer point-of-purchase decision-making process. The goal of this session is to provide insights into consumer decisions made at the point of purchase by examining the three most prominent aspects of these decisions: deciding whether to make a purchase from a given category, deciding which option from the category to select, and deciding whether to purchase the selected option at the offered price.

Research by Inman, Winer and Ferraro examines the first aspect of point-of-purchase decision making: choosing whether or not to make a purchase from a category. In particular, they use a hierarchical modeling approach, using a dataset of 2,800 in-store consumer intercept interviews conducted in 14 cities, to explore product category factors and customer characteristics that affect the likelihood of engaging in unplanned purchases at the category level.

Next, research by Srivastava and Chakravarti examines the influence of consumer roles on the option-selection stage of consumers' point-of-purchase decisions. In many transactions, consumers' purchase decisions are influenced by their dual roles of buyer and seller (i.e., buying a new car and selling the old one). This research examines how the role a consumer plays influences evaluations and choice at the point-of-purchase.

Finally, research by Hamilton and Chernev investigates retailer price image as a driver of the third aspect of point-of-purchase decision making: whether or not to buy a selected offering at a given price. This research examines price image formation by investigating consumer reactions to changes in the retailer's product line, such as adding an upscale or down scale extension, and how these changes impact consumer decision making.

After the presentation of the research papers, discussion was facilitated by Tom Meyvis.

## EXTENDED ABSTRACTS

### "The Interplay between Category Factors, Customer Characteristics, and Customer Activities in Point-of-Purchase Decision Making"

*Jeff Inman, University of Pittsburgh*
*Russell Winer, New York University*
*Rosellina Ferraro, University of Maryland*

Consumers often enter the grocery store with a set of purchases already in mind, but they often leave the store with a number of unplanned purchases. Inside the store, consumers are confronted with an environment of colorful displays of fruits or flowers, perfectly aligned packages of snacks on endcap displays, and even advertisements covering the floor. These are a few examples of the in-store stimuli that may trigger unrecognized needs and desires or trigger memory for forgotten needs. These in-store stimuli serve as a mechanism for need recognition and may lead to unplanned purchasing, or in other words, point-of-purchase decision-making.

Any given item in a shoppers's grocery basket may have been planned to the level of the brand, to the level of the category, or not at all planned. According to the Point-of-Purchase Advertising Institute (POPAI), over two-thirds of purchase decisions involve some sort of in-store decision-making. Manufacturers spent $18.4 billion dollars in 2004 on in-store marketing and promotion. These efforts are assumed to be effective because they have their influence at the last stage of the choice process – at the point of purchase.

The current research explores the factors driving the extent to which consumers engage in in-store decision-making. While prior research has examined various factors independently influencing in-store decision-making, we present a more comprehensive framework incorporating the product category factors, customer characteristics, and customer activities that affect this type of decision-making. We argue that these factors operate via increasing exposure or affective responding.

First, to have any impact, in-store stimuli require the shopper's attention. That is, shoppers must come into contact with and be exposed to stimuli for there to be any chance of need recognition. Therefore, factors that increase or decrease exposure to stimuli impact the level of in-store decision-making. Second, consumers often buy as a consequence of emotional arousal. Therefore, any factors that trigger affective reactions to products will increase the extent to which consumers engage in in-store decision making. We examine the role of four product category factors in increasing exposure or affective responding: coupon usage, in-store displays, category purchase frequency, and the hedonic nature of the category. Additionally, aspects of the customers themselves may also increase or inhibit in-store need recognition. We examine the role of four customer characteristics in this regard: gender, household size, store familiarity, and shopping alone versus with others.

Furthermore, we examine whether certain customer activities limit the number of in-store decisions. We argue that consumers are aware that they sometimes make unplanned purchases which may satisfy current needs but are detrimental in the long-term. Therefore, consumers initiate activities that limit in-store decision making in order to limit purchasing items they do not need, spending more money than they have allocated, or buying products that are not nutritionally healthy. These activities are use of a shopping list, number of aisles shopped, shopping frequency, time spent shopping, and method of payment.

To test the proposed model, we utilize data provided by POPAI, an association for the point-of-purchase advertising industry. POPAI periodically conducts an extensive field study of consumers' purchasing behavior. In-store intercept interviews were conducted with 2800 consumers (over 40,000 purchases) at grocery stores in fourteen geographically dispersed U.S. cities.

The results are generally consistent with expectations. Coupon use was associated with a lower probability of unplanned purchase. However, items that were on display, items with longer interpurchase cycles, and hedonic categories were associated with greater in-store decision making. Also as predicted, in-store deci-

sion-making was impacted by the customer characteristics examined. Females tended to make more unplanned purchases than did males. As household size increased so did the likelihood of making unplanned purchases. Additionally, shoppers that were accompanied by others were more likely to make unplanned purchases and greater familiarity with the store also increased unplanned purchases.

We expected that customer initiated activities would lead to a decreased likelihood of making unplanned purchases. Our findings offer useful, easy-to-enact strategies for consumers who are interested in curtailing unplanned purchases (e.g., impulsive consumers). First, consumers should use a list because it dampens unplanned purchases. Second, consumers should try to make more frequent, fewer-item trips. This helps focus the shopper on getting in, getting only the items s/he came for, and getting out. Third, consumers should limit browsing. Visiting all aisles increases exposure to stimuli and increases unplanned purchasing. Fourth, consumers should limit the amount of time spent in the store. Limiting time forces the consumer to focus on the task at hand. Finally, consumers should make the decision to pay by cash before entering the store. Paying by credit (and to a lesser extent, by check) decouples the "pain of paying" from the purchase and makes it easier to engage in unplanned purchasing.

### "The Psychology of Trade-Ins in Point-of-Purchase Decisions: Consumer Price Perceptions when Playing the Dual Role of a Buyer and a Seller"

*Joydeep Srivastava, University of Maryland*
*Dipankar Chakravarti, University of Colorado*

In making point-of-purchase decisions, consumers are often confronted with transactions that are naturally related or occur together in time. For example, new car purchases are often made in conjunction with the trade-in of an older car and a vacation involves the purchase of air-ticket and lodging. In such situations, marketers have various options in how to price and present the overall transaction. For example, a car dealer has the option to treat the purchase of a new car and the trading-in of the old car as separate transactions with different price tags or as a bundled (consolidated) transaction where the overall transaction is presented under a single price tag. The manner in which the overall transaction is priced can significantly alter consumer perceptions.

Even when the transaction is presented under separate price tags, a car dealer may create different gain (loss) scenarios from the same net transaction. To the extent that reference prices are available for both transactions, the manner in which the component transactions are priced could lead to different representations of the separate transactions and hence the overall exchange episode. For example, a car dealer can choose to provide a good deal on the new car but a poor deal on the trade-in. Alternatively, the dealer can provide a good deal on the trade-in and a poor deal on the new car, or the dealer could provide moderately good deals on both the new car and the trade-in, while maintaining the same net dollar amount for the overall transaction. Although marketers can implement these different price presentations relatively easily, there is little systematic research on the effects of such price presentation on consumers.

This research examines how variations in the price presentation of transaction bundle affect consumer perceptions. While economic theory would predict no differences in consumer preferences across the different price presentations, the mental accounting principle of segregate the gains would suggest that consumers are likely to prefer the overall transaction where the dealer provides moderately good deals on both the new car and the trade-in. Alternatively, consumers may be more sensitive to the price of the

new car as that is the focal transaction or consumers may be more sensitive to the price of the trade-in because of the general inclination to demand more for giving up something they own (endowment).

This paper reports the results of three studies that examine consumer preferences for transaction bundles as a function of price presentation. Using a scenario involving the purchase of a new car along with the trade-in of an old car, study 1 had six conditions, all with a separate price for the new car and a separate price for the trade-in. In all conditions, reference prices were provided for the new car and the trade-in such that the overall transaction would always result in a gain. The six conditions varied how the net total price was split across the new car and the trade-in. For example, in the conditions where there was a gain on one component and loss on other, the price of the new car was $15,000 and the trade-in value was $4,000 whereas in the related condition, the new car price was $18,000 and the trade-in value was $7,000. The results of study 1 (n = 158) show the different price presentations systematically affected consumer perceptions. Specifically, in contrast to the principle of segregating the gains, consumers were more sensitive to the price of the new car. The overall transactions in which the price of the new car was relatively low were preferred to the transactions in which the price of the trade-in value was relatively high. These results suggest that consumer preferences for overall transactions are affected by how the component transactions are priced.

Study 2 then adds a consolidated condition where the overall transaction is presented under a single price tag to the six conditions used in study 1 and also examines how consumer attachment (involvement) with the trade-in affects preferences for the different transactions. The results (n = 296) replicate the findings of study 1 in the low attachment condition. However, when consumers are trading-in a car that they were attached to, they prefer the overall transactions where the price of the trade-in is relatively high. In addition, the consolidated price presentation is uniformly preferred to the segregated price presentation in the high attachment condition but not in the low attachment condition. Study 3 replicates these findings in a choice study. Together the findings of the three studies show that consumers are differentially price sensitive to the component transactions and that this price sensitivity is malleable. The findings have both theoretical and managerial implications.

### "Price Image Formation and Point-of-Purchase Consumer Decision Making"

*Ryan Hamilton, Northwestern University*
*Alexander Chernev, Northwestern University*

One of the factors that influences consumers' point-of-purchase decisions is price image, the overall impression consumers form of the prices at a given retailer. Despite the importance of price image to marketing theory and practice, there has been relatively little investigation into the factors that influence its formation, antecedents, and consequences. Price image is important to consumer behavior researchers because it plays a key role in at least two types of consumer decisions. First, because price image can affect consumers' reference prices, it can influence the point-of-purchase decision of whether or not to buy a selected offering at a given price. Second, because price image is one of the factors that can determine the overall attractiveness of a retailer, it is also likely to influence consumers' decisions of where to shop. Thus, high price image can lead consumers to expect that there is a better price for comparable merchandise, and consequently, that they should shop elsewhere.

In this research, we draw on theories from psychology and decision-making to better understand the formation of price image by investigating consumer reactions to changes in the retailer's

product line. Although retailers tend to price the items they carry within a range that will appeal to the store's core segment of consumers, it is also common for retailers to season these narrowly-priced assortments with a handful of vertical extensions: products from a higher or lower price tier. For example, Best Buy, a retailer whose very name projects a low price image, has added the high price, high quality Magnolia home theater line to complement its other audio/visual entertainment products. Likewise, grocery chains that are positioned as high-priced, premium service providers will often still carry a few inexpensive, private label items in addition to higher priced national and specialty brands.

Conventional wisdom predicts that a vertical extension would push the price image in the same direction (e.g., adding a downscale extension would lower a store's price image). We argue, however, that the impact of vertical extensions on price image is a function of the way consumers process the available information. In this context, we identify conditions in which a vertical extension can move the price image in the opposite direction, such that adding a downscale extension can actually raise a retailer's price image and adding an upscale extension can lower its price image.

To illustrate, imagine a consumer standing in front of a display of cordless phones. Most of the prices are fairly similar, but there is one downscale model with a substantially lower price. The consumer takes into account all of the available options and she forms a price image. Now picture a different consumer standing in front of the same display. After looking over the available options, this consumer selects a phone he would like to buy. He then evaluates the price of the option he selected in forming a price image.

The two consumers in this illustration exemplify two ways of evaluating information in forming a price image. The first consumer evaluated all of the available information in the set without focusing on any particular option. This type of non-focal evaluation would lead the consumer to assimilate the price of a vertical extension into an overall price image. In this context, the presence of the downscale phone would lead this consumer to form a relatively low price image of this store. The second consumer focused on a single option and contrasted it with the other alternatives. The presence of the downscale extension would make the phone he chose seem expensive. Based on his focal evaluation, this consumer would form a relatively high price image of the store.

We examine the impact of vertical extensions and evaluation type on price image, and thus, on consumer decision making, in a series of three experiments. In the first experiment, participants are encouraged to make either a focal or a non-focal evaluation of a set of options that includes either an upscale or a downscale extension. We use likelihood of purchasing a chosen option at a given price as a measure of price image: Participants were shown an additional item from a different category and asked whether they would purchase that item at a given price or defer choice to look for a better price elsewhere.

The second experiment demonstrates that these findings can impact choice among retailers as well as choice deferral. Participants were asked to choose between two hypothetical stores, one where they had previously made a focal evaluation, and one where they had previously made a non-focal evaluation. When faced with two stores that both carry an upscale extension, consumers will form a higher price image of the store where they made the non-focal impression than the store where they made the focal evaluation. In contrast, when faced with two stores that both carry a downscale extension, consumers will form a lower price image of the store where they made a non-focal evaluation than they would from the store where they made a focal evaluation.

Building on the findings of the first two studies, experiment 3 examines the impact of vertical extensions on price image by using

brand loyalty as a predictor of the type of evaluation a consumer is likely to engage in. Thus, consumers that are loyal to a particular brand will tend to focus on that brand, comparing its price with the other prices in the set when forming a price image. Consumers that are not loyal to any brand, on the other hand, will tend to make more non-focal evaluations in forming a price image. We find that when given a choice between two retailers, one of which has upscale extensions and one of which has downscale extensions, brand-loyal consumers overwhelmingly prefer the store with upscale extensions, whereas consumers that are not brand-loyal prefer the store with downscale extensions.

# Temporal Consumption: How Time Influences our Memories of the Past, our Enjoyment of the Present, and our Preference for the Future

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## SESSION OVERVIEW

Consumption is necessarily temporal in nature. We recall yesterday's trip to the record store, savor the experience of listening to music today, and look forward to hearing it again tomorrow. These processes are relatively easy to identify and yet incredibly challenging to describe. Consumers maintain a complicated relationship with time; our consumption memories are colored by our motives over time, our behavior and our experience changes with the progression of time, and in fact our anticipation of the future is sculpted by our ability to conceptualize time. In four papers, we pose questions and offer some tentative answers, about the role of time in consumption.

The first paper (Norton and Chance) considers how consumers recall past decisions. Quite famously, past research has suggested that following difficult decisions people are motivated to bolster the chosen option and deride the foregone alternatives (i.e., Festinger 1957). Norton and Chance show that consumers sometimes use the even simpler strategy of forgetting the original decision entirely. They demonstrate first that, in seeming violation of standard memory effects, this decision amnesia is *most* likely to occur for those decisions consumers spent the *most* time considering. Furthermore, consumers seem to fill in the missing elements of past decisions with originally absent options: The desire to maintain the amnesia is strong enough to reconstruct the fabric of memory. Though people know how to cope with post-decision regret, sometime a few well-chosen memory lapses may be even more efficient.

When given enough time, people may avoid such regrets by simply improving their consumption. The second paper (Vohs) considers self-regulation over long time periods, and show that the seasoned veterans of self-control (of the consumption of calories and the expression of emotions) are significantly better at foregoing temptations than their journeymen counterparts. Most interesting were results suggesting that a little bit of self-regulatory experience was worse than none at all, as novice dieters showed less self-control than non-dieters. In order to perfect consumption, people need to self-regulate, but it appears that people need a lot of time practicing self-regulation before they can eliminate its negative consequences.

What about the perception of time during consumption? Intuitively and empirically it is believed that time flies when you're having fun. The presence of such a strong lay theory, and the persistent ability for people to misattribute information to the wrong source, allows for an intriguing possibility: if people think that time is flying, to they actually have more fun? The third paper (Nelson and Meyvis) shows that people think an upcoming event will be more enjoyable if they are made to feel as though it will go by quickly. Furthermore, in three additional studies they also show that when an incidental cues signals that time is passing quickly (a slightly fast timer) people enjoy listening to music more, regardless of whether the songs are enjoyable or irritating.

The final paper considers how we value products and currency to be consumed in the distant future (Frederick, Read, and LeBoeuf). A commodity to be consumed "when I'm 64" is no different than one to be consumed "33 years from now", put people value the former much more than the latter. Interestingly, that effect diminishes with the age of the participant, perhaps reflecting that experi-

ence with time makes consumers more expert at conceptualizing it. Furthermore, another investigation hints that the key variable may be thinking about age, rather than merely focusing on dates and time.

Given the breadth of this research domain, these papers necessarily represent substantial variation in both methods and inferences. Thankfully, we are pleased to have an expert in temporal perception to serve as a discussant for the session. Over his career Yaacov Trope has made substantial inroads into the investigation of time in human behavior, and his work on temporal construal has brought coherence to a seemingly diverse set of findings.

## EXTENDED ABSTRACTS

### "Decision Amnesia: Why Taking Your Time Leads to Forgetting"

*Michael I. Norton, Harvard Univeristy*
*Zoë Chance, Harvard Univeristy*

Imagine having to choose between your two favorite flavors of ice cream, chocolate and mint chip. Such conflicted decisions – decisions under uncertainty – have been explored through a number of theoretical lenses: cognitive dissonance theory (Festinger, 1957) focuses on how people denigrate foregone options and inflate the value of their choices – which a host of studies have demonstrated – while other researchers have focused on how such decisions lead to counterfactual regret (e.g., Kahneman & Miller, 1986; Roese, 1997). To varying degrees, these approaches focus on how individuals engage in the uncomfortable process of rationalizing the regret such decisions induce. Our research demonstrates another viable, efficient – and, we suggest, surprisingly common – means of coping with difficult choices: forgetting them altogether. Rather than engage in complicated – and costly – post-decisional rationalization, we suggest that individuals frequently exhibit *decision amnesia* when coping with difficult decisions. In addition, because the motivation to forget is at its highest when decisions are most difficult, we predict that people are ironically most likely to forget those decisions they take the longest to make, since this greater amount of time indicates a greater degree of conflict.

We demonstrate this decision amnesia in a series of studies using a diverse array of stimuli. In Study 1, we asked participants which vacation destinations they preferred among 40 pairs (e.g., Shanghai vs. The French Riviera), while measuring their reaction time and reported difficulty; after a distracter task, we then asked them to recall which destination they had chosen. As predicted, participants made significantly more errors on pairs they had taken longest to choose between (which were also those pairs they rated most difficult). We replicated this basic effect in choices between types of death (e.g., getting bitten by a poisonous snake vs. getting strangled by a tetherball rope) as well as in choices between consumer products (e.g., an autographed James Gandolfini portrait vs. a Robosapien robot). An alternative explanation for our findings would be that the objective similarity of options – rather than the subjective difficulty of choosing – impairs recall. In Study 2, therefore, participants chose between pairs of colors and we asked them to rate both the difficulty of the choice and the similarity of the two colors. When asked to recall their choices, once again, partici-

pants forgot more difficult than easy choices; most importantly, difficulty predicted accuracy independent of and more strongly than similarity.

The strongest test of our decision amnesia hypothesis, however, is that participants forget not only which option they chose when making difficult decisions, but also forget having made a choice at all. In Study 3, participants again chose between pairs of colors at Time 1. At Time 2, however, rather than indicating the color they chose at Time 1, participants were asked to indicate if they had seen pairs of colors in the previous task or not – and were presented with pairs that had been difficult or easy, or with new pairs they had not seen. As predicted, participants were more likely to forget having seen pairs of colors for which their choice had been difficult than easy. In Study 4, we added a "lure" option at Time 2 (a 3rd color not present at Time 1). When asked to recall the earlier colors, participants were more likely to select the new "lure" option as having been present at Time 1 for pairs that had been difficult, again suggesting they had forgotten the original choice sets altogether.

Taken together, these studies demonstrate that decision difficulty impairs memory both of what options were chosen and even of having made a decision at all: the longer participants took to make decisions – and therefore the longer they were exposed to stimuli – the less likely they were to remember ever having seen them. Of course, in many real life situations, we have lingering evidence of our difficult choices: for instance, we are unlikely to forget which person we married, no matter how hard that decision may have been. There are, however, ample opportunities for decision amnesia to occur; indeed, were we to rationalize every decision we made, we would likely have little time left to think about anything else. Thus decision amnesia may be a generally efficient strategy: rather than continually coping with the agony of regret, we suggest that people simply forget.

### "Self-Regulation Over Long Periods of Time: Practicing a Controlled Activity Reduces Depletion of Self-Regulatory Resources"

*Kathleen D. Vohs, University of Minnesota*

It is now well-known that when people engage in self-regulation something akin to a reservoir of energy becomes depleted and leaves people less capable of performing a subsequent act of self-control. Tests from all around the world as documented in over 90 published articles support this limited-resource model of self-control. Despite these robust findings, it deserves noting that almost all of the experiments are conducted in laboratory settings wherein participants are instructed to engage in a self-regulatory task or they are instructed to engage in a task that is similar in scope but not in degree to which self-regulation is needed. Hence, people in the regulatory condition are presumably engaging in a task that represents some natural form of self-control (e.g., controlling one's attention while distracting words appear on the video that one supposed to be watching is similar to keeping one's eyes on a boring speaker while one's Blackberry begs for attention). Nonetheless, to understand the fundamental nature of self-control, it is crucial for the field to move beyond its current paradigm. Hence, the present research asked whether people who have been self-regulating over long periods of time show differential effects in terms of self-regulatory depletion than people who have not been devoting effort at such lengths of time.

In experiment 1, participants were experienced dieters or novice dieters who came to the lab and were seated at a chair next to or far away from several bowls of tempting candies. The candies were present to differentially activate self-regulatory processes within dieters, who would have to overcome their desire to eat them:

sitting close to the candies was designed to be more tempting – and therefore require more self-regulatory resources to resist – than would sitting far away from the candies. Participants sat next to the candies while watching a boring documentary about the lives of Big Horn Sheep. Next, as a test of how many self-regulatory resources they had exerted in the movie-watching phase, all participants were taken to a different room and asked to eat ice cream ostensibly as part of a taste and rate paradigm. Ad-hoc eating was the measure of self-control, a measure that has been used in the eating literature for more than 30 years (Schachter et al 1968). As expected, veteran dieters self-regulated better, by eating less ice cream, as compared to novice dieters. This finding suggests that time spent dieting is a significant factor in how depleting it is to self-regulate.

In Experiment 2, participants were novice dieters, experienced dieters, or nondieters. They came to the lab where they were tempted with bowls of sugary and chocolate candies. This setting was intended to active the desire to eat, which for dieters would have to be overridden but not so for nondieters who are not regulating with respect to eating (cf. Vohs and Heatherton 2000). The second task involved asking all participants to attempt to solve difficult puzzles (that were, in actuality, unsolvable), as a measure of self-control. The results showed that nondieters had the best persistence, followed by the experienced dieters, with the novice dieters showing the worst persistence. These results supported the hypothesis that practicing a specific act of self-regulation over a long period of time fails to disable people to the extent that being new at an act of self-regulation does. Note, however, that being an experienced self-regulator completely removes the need to regulate — dieters who were experienced at dieting were more depleted (and less persistent) than nondieters, who did not have to regulate while seated next to candy.

In Experiment 3, I investigated long-term efforts at self-regulating in the domain of emotion regulation. All participants completed an emotion regulation questionnaire (Gross and John 2003), which enabled me to score some participants as being experienced emotion regulators (meaning, they were frequently engaging in emotion control) and some participants to be novices at this task (meaning, they did not often control their emotions). All participants were asked to watch a disgusting and sad video under instructions to control their emotions. Later, as a test of self-regulatory resource availability, participants were given a task to perform, which was akin to the task of assembling a bookshelf that was purchased in disassembled form. Persistence at the difficult task was the measure of self-regulation. The results showed that participants who were well-practiced at controlling their emotions were better at persisting at the difficult task relative to participants who were unused to controlling their emotions.

In sum, time spent self-regulating is a meaningful component not yet recognized by current theories in self-regulation, especially work pertaining to the limited-resource model. The discussion of these experiments will revolve around conscious versus nonconscious self-regulation and how repeated attempts at self-regulating may help automatized controlled behaviors and hence free consumers to engage in other acts of self-control.

### "Time is Flying, We Must be Having Fun: The Effect of Subjective Time Porgression on Enjoyment"

*Leif D. Nelson, New York University*
*Tom Meyvis, New York University*

Time flies when you're having fun. This old adage holds that as enjoyment increases, our estimates of elapsed time will similarly decrease. Indeed, popular wisdom holds up relatively well to empirical scrutiny, as more engaging activities are judged to be faster than similar non-engaging tasks (Chaston and Kingstone

2004). Apparently, this basic relationship is strong enough to end up in the popular lexicon.

If the assumed effect of enjoyment on time perception is learned well enough, then perhaps people will rely on this lay belief to infer the cause from the consequence: Subjective changes in the passage of time could lead to corresponding changes in the enjoyment of an experience. Time is flying, I must be having fun.

There is a long history investigating the misattribution of feelings in consumer research (Schwarz, 2004). Feelings of fluency, for example, can make preferences and attitudes feel more positive and more persuasive (Muthukrishnan and Wathieu 2007; Levav and Fitzsimons 2006). Furthermore, existing lay theories (like beliefs about the relationship between time and fun) can influence a variety of human inferences, including those relating to consumption (e.g., Mukhopadhyay and Johar 2005). Given that people have a strong lay theory about the effect of enjoyment on time perception, altering the subjective time experience may lead to inferences of enjoyment. To test this hypothesis, we conducted four studies in which we manipulated the subjective experience of time and measured anticipated (Study 1) or actual (Studies 2-4) enjoyment.

In Study 1, participants thought about the upcoming weekend and listed a few activities they would engage in during that weekend. Some participants listed 2 activities whereas others listed 6. Past research has shown that, when considering future time periods, if people list more events they will perceive the time period to be shorter (LeBoeuf & Simmons 2006). We reasoned that if a known time period (a weekend) was felt to be shorter, people would feel as though the time was moving faster. As predicted, people who listed 6 activities thought the weekend would go by faster than did people who listed 2 activities. Furthermore, and most central to our hypothesis, people who listed six activities thought that the weekend would be more enjoyable than did people who listed only 2.

Since the first study only studied anticipated enjoyment, we conducted a second study to test if the effect also influences actual enjoyment of an ongoing experience. In Study 2, participants listened to an enjoyable pop song ("*Yours to Keep*" by the Teddybears) while a timer either displayed the accurate timing, or instead displayed a slightly accelerated timer (seconds are updated each 0.8 seconds). Though consciously imperceptible to our participants, the latter timer gave the impression that time was moving faster than normal. As predicted, people enjoyed the pop song more when listening with the fast counter than with the normal counter.

Perhaps fast timers merely enhance the magnitude of the typical enjoyment pattern, and negative stimuli might get worse with a faster timer? To test this alternative we had participants listen to a sample of symphonic dot matrix printers ("@.}@}.@.}@}.@.}@}.@.}" by The User) which was judged to be generally irritating (Study 3). Nevertheless, when participants listened to the sample with a faster timer they judged it to be less irritating, and a less aversive overall experience, than when it was played with a slow timer (updated every 1.2 seconds). Apparently, the perception of time flying by makes all experiences more fun, even those that are no fun to begin with.

The subjective time perception could influence enjoyment in several ways. One possibility is that people are influenced by the perceived fluency of the ongoing time progression, and attribute this surprising fluency to their enjoyment (Whittlesea & Williams 2001). Alternatively, people may be influenced by the perception of the total elapsed time, and attribute their surprise about the length of that time period to their enjoyment of the experience. To distinguish between these two possibilities, we conducted a fourth study in which we asked participants to listen to a song chosen from a list of familiar titles (e.g., "Crazy" by Gnarls Barkley, "California

Über Alles" by the Dead Kennedys, etc.) and manipulated whether the timer counted up from zero or counted down from the end. Whereas the perceived fluency of the ongoing time progression should be equally salient in both conditions (counting up or counting down), the total time elapsed should be most salient when the counter is counting up. Participants with the timer counting up showed responses consistent with our previous findings: when the timer was fast, people enjoyed the song more than when the timer was slow. When the timer counted down however, the effect was completely eliminated Participants in the fast timer conditions inferred greater enjoyment of the experience due to their surprise at the length of the elapsed experience rather than due to the suprisingly fluency of the ongoing experience.

From a theoretical perspective, these findings hint at the malleability of hedonic experience. Recent work has suggested that top-down processes only operate on preference if that information is consciously encoded prior to consumption (Lee, Frederick, and Ariely 2006), but this work suggests that preferences can shift in a bottom-up manner, even when the influential information operates outside of conscious awareness. From a managerial perspective, these findings show how a subjective sense of time can operate on explicit preferences. Perhaps if managers can create a sense of time flying by, the consumption experiences they offer will be judged as more enjoyable.

## "When I'm 64: Temporal Referencing and Discount Rates"

*Shane Frederick, Massachusetts Institute of Technology*
*Daniel Read, London School of Economics*
*Robyn A. LeBoeuf, University of Florida*

The *Beatles* song sharing our title refers to the future in two distinct ways. The lyrics begin "When I get older, losing my hair, *many years from now…*" and end "Will you still need me, will you still feed me, *when I'm 64*." Though each of authors is still many years from 64, one of us recently "recognized" that he'll be 50 in just 12 years, which didn't feel nearly long enough to bridge the psychological distance between his conception of himself and his conception of a 50-year-old.

These ruminations suggest that our conception of the future, and the choices we make regarding it, may depend on the manner in which the future is described. Thinking about a given age may make the future seem more psychologically distant than the number of intervening years suggests – something that should *increase* discounting. On the other hand, our prior research on temporal referencing (Read, Frederick, Orsel, and Rahman, 2005, and LeBoeuf, 2006) suggests that an age reference may *decrease* discounting by directing attention away from the intervening time period, and toward other things (e.g., our stereotype of someone of that age, or our speculations of what our own life will be like at that age).

We explore the effects of temporal referencing in three studies. In Study 1, respondents specified the amount of money to be received 10 years hence required to achieve indifference to receiving $40 immediately. In the *Delay* condition, temporal distance was framed as "10 years." In the *Age* condition, respondents first specified how old they would be 10 years from now, and then entered this value into the brackets (as shown below) before completing the matching task.

I would be indifferent between getting $40 right now or getting $_____ when I am [   ] years old.

Respondents were more patient when the temporal interval was marked by their future age rather than the number of intervening years; when faced with an age reference, they indicated that a

smaller future reward was sufficient to achieve indifference with $40 now.

Our second study was conducted using an on-line survey site. On the first screen, respondents entered their date of birth. On the following screen, they made twelve intertemporal choices. For respondents assigned to the *Delay* condition, the future was referenced as a number of years (e.g., $40 immediately vs. $250 in 10 years). For those in the *Age* condition, it was referenced in terms of the person's future age, generated from their previously entered birthdate (e.g., $40 immediately vs. $250 when you are 48).

Once again, respondents were significantly more patient when the future was indexed by their future age. For example, while only 20% were willing to wait 10 years to get the $250 when it was "in 10 years", 50% preferred that larger later reward if it was received when they were X+10 years old. Intriguingly, this framing effect diminished with age, and for respondents older than 60 there was no effect at all. We speculate that age becomes chronically salient for older respondents, since opportunities for retirement, for receiving social security, or senior citizen discounts all depend on individuals soon reaching specific salient age milestones.

In our third study, respondents were randomly assigned to one of four conditions, in which temporal distance was specified in one of four ways: as the *Delay* in years until the future reward or penalty, as the specified *Date* on which the future event would occur, as the *Age* that the respondent would be when the future event occurred, or as the number of *Years Older* the respondent would be at the time of the future event.

| Condition | Phrasing |
|---|---|
| *"Delay* | $Y in exactly 2 years |
| *"Date* | $Y on Sept 29th, 2008 |
| *"Age* | $Y when you are 43 |
| *"Years Older* | $Y when you are 2 years older |

Respondents were significantly more patient in the *Age* and *Older* conditions than in the *Delay* or *Date* conditions. The *Years Older* frame increased patience nearly as effectively as the *Age* frame. This is noteworthy because the numeric presentation in the *Older* frame was nearly identical to that in the *Delay* frame, arguing against a psychophysical explanation involving comparisons of the presented numbers. The words "years older" may prime (as might an "age" reference) the concept of a continuous persistent identity enduring across time demanding impartial treatment by the current self. In our fourth study, we explore whether these framing effects result from perceived temporal distance or perceived "connectedness" to future selves. We conclude by discussing the implications of this research for the marketing of financial instruments, such as IRAs, life insurance policies, and annuities.

SYMPOSIA SUMMARY
# The Multiple Routes of Affective Influences on Consumer Behavior
Jiewen Hong, Northwestern University, USA
Aparna A. Labroo, University of Chicago, USA

## SESSION OVERVIEW

Research on emotion has suggested that the influence of affect on behavior can occur through multiple routes, ranging from the rather quick and automatic "low road" that bypasses any cognitive processes, to the more fine-tuned "high road" that allows for systematic cognitive processes (LeDoux 1996). Indeed, empirical research has shown that affective reactions can occur automatically and rapidly, and exert a direct influence on judgment (e.g., Murphy and Zajonc 1993) and consumption behavior (Winkielman and Berridge 2004), which is independent of cognition. Affect can also indirectly influence consumer behavior by changing people's cognitive processes. That is, people's affective states can alter their perceptions or beliefs about the target (Pham 2004) or activate affect-consistent information in memory, which in turn impact people's behavior (Isen, Shalker, Clark, and Karp 1978). More recently, it has also been suggested the influence of affect on consumer behavior can also take a high road by going through a metacognitive process before exerting its influence. In this case, the reliance on affect in judgments and decisions is subject to the scrutiny of cognitive processes in which people assess whether or how they should use their feelings in a given judgment or decision (Avnet and Pham 2004; Pham 2004). This session takes a closer look at the multiple routes of affective influences on consumer behavior by bringing together research that examines the role of affect in consumers' judgment of novel objects, their ability to detect changes, and their financial decision making.

The first paper by Hong, Lee, and Li examines the low road of affective influences through which precognitive affective processes directly impact consumer judgment. Building on the valence hypothesis of emotional processing (Silberman and Weingartner, 1986), which postulates that the left hemisphere is specialized for processing positive emotional stimuli and the right hemisphere is specialized for processing negative emotional stimuli, this research examines how emotional lateralization processing impacts judgment. Using a paradigm where affective primes are presented subliminally in participants' right or left visual field, the author showed in three experiments that participants' judgment of a target is more favorable when the valence of the prime is positioned to match the efficient processing of the hemisphere (i.e., negative primes in the left visual field and positive primes in the right visual field); that is, the matching effect is observed even when the prime is negatively valenced. These results differ from the classic affective priming effects (Murphy and Zajonc 1993) whereby participants' judgment of the target assimilates toward the valence of the prime (i.e., positive prime leads to more positive judgment, whereas negative prime leads to more negative judgment).

The second paper by Rucker and Labroo explores the indirect influences of affect on consumers' ability to detect perceptual changes by way of changing people's cognitive processes. Specifically, they show that mood-congruent cognitions may interfere with the accurate storage and retrieval of a stimulus representation from memory. Consequently, people are more accurate in detecting change in emotion-incongruent (vs. emotion-congruent) objects. That is, happy respondents are less accurate in detecting change in a positive (vs. negative) object, and unhappy respondents are less

accurate in detecting change in a negative (vs. positive) object. Interestingly, the effect is not hardwired: simply imagining a neutral product (e.g., beer) with positive or negative associations leads to similar effects.

Finally, the third paper by Stephen and Pham investigates a case where affect influences consumer behavior through a high road. Specifically, using an ease-of-retrieval paradigm, they manipulated whether people would trust their feelings in a classic behavioral economics game called the ultimatum game. Results from five experiments show that, compared to lower trust in one's feelings, higher trust in one's feelings results in less generous offers in ultimatum games, especially in the dictator version of the game. Higher trust in one's feelings also results in greater rejection of unfair offers, with little effect on the acceptance rates of fair offers. These findings are not driven by differences in perceptions of what players see as "fair" divisions under high versus low trust of feelings. Rather, players with high trust in their feelings appear to be playing the game as if they represented it in a more literal fashion.

The session highlights a topic that has generated considerable interest in consumer research over the last two decades. We expect this session to be well attended by members of ACR who are interested in the areas of affect and emotion, as well as in consumer decision making and information processing. The session will end with a discussion led by one of the experts in the area, Mary Frances Luce, on how affect can impact consumer behavior, judgment and decision making. We hope the session will provoke discussion on how to systematically integrate the findings relating to these three types of emotion-judgment into a unified framework.

## EXTENDED ABSTRACTS

### "Bilateral Affective Priming and Consumer Judgment"
*Jiewen Hong, Northwestern University*
*Angela Y. Lee, Northwestern University*
*Wen Li, Northwestern University*

The affective primacy hypothesis (Zajonc 1980) posits that affective reactions can be elicited with minimal stimulus input and cognitive elaboration. Research in affective priming has provided strong support for this hypothesis by demonstrating that the processing of affective stimuli outside conscious awareness can also influence judgment (e.g., Murphy and Zajonc 1993). These studies show that a subliminal affective prime (e.g., a smiling or a frowning face) presented in the center of the screen can influence the affective judgment of a target (e.g., a Chinese ideograph). More specifically, targets are judged more favorably following a positive prime (e.g., a smiling face) and less favorably following a negative prime (e.g., a frowning face)

In this research, we contribute to the affective priming literature by examining how hemispheric differences in emotional processing may influence judgment. The valence hypothesis of emotional lateralization processing (Silberman and Weingartner, 1986) postulates that the left hemisphere is specialized in processing positive emotional stimuli and the right hemisphere is specialized in processing negative emotional stimuli. We hypothesize that when an affective prime is located in the visual field that allows

more efficient processing of the prime by the specialized hemisphere, people would develop more favorable attitudes toward the target. This hypothesis was tested in three studies.

In Experiment 1, affective stimuli with positive or negative valence were presented subliminally in participants' right or left visual field and participants were asked to evaluate a logo appearing in the center of the screen. The affective primes were normed pictures selected from the International Affective Picture System (Lang, Bradley, and Cuthbert 2005) and were matched on their arousal level. We found that participants' liking of the logo was enhanced when the valence of the prime matches the hemisphere specialized in processing the valence (i.e., when negative primes were presented in the left visual field, and when positive primes in were presented in the right visual field).

Affective priming studies have consistently shown an assimilation effect toward the affective primes on target liking; that is, targets following a positive (negative) prime are judged more favorably (negatively). To ensure that the effects obtained in Experiment 1 were not an artifact specific to the priming stimuli, we conducted Experiment 2 to replicate the classical affective priming effect and also to test the robustness of our bilateral priming effects. Thus, we included conditions in Experiment 2 where the primes would appear in the left versus right visual field as well as in the center of the screen, as in a typical affective priming study. We also included a control condition to examine whether the effects were due to more favorable attitudes when the valence of the prime matches the visual field for more efficient processing or to less favorable attitudes when the valence of the prime mismatches the visual field for less efficient processing, or both. To these aims, a 3 (prime valence: positive vs. negative vs. neutral) × 3 (prime visual field: left vs. right vs. center) within-subject design was used. The same IAPS pictures as in Experiment 1 were used as affective primes, and nonsensical polygons were used as neutral primes in the control condition. Chinese ideographs were used as targets. Results showed that the classic affective priming effects were obtained when affective primes were presented in the center; that is, targets were judged more favorably following a positive prime and less favorably following a negative prime. Replicating the findings from Experiment 1, when affective primes were presented in the visual fields, target liking was more favorable when the prime was processed by the specialized hemisphere, regardless of whether the prime was positive or negative. We also found that the effects were driven by increased liking in the matching condition.

Experiment 3 was designed to further understand the mechanism underlying the bilateral affective priming effects and to test the generalizability of the effects in a consumer related context. We presented participants with an ad for a brand of sunblock in the center of the computer screen as the target and affective primes disguised as banner ads were placed on either side of the screen. We replicated the findings from Experiments 1 and 2, but only when participants were not aware of the banner ads (i.e., the affective primes). These bilateral affective priming effects disappeared when participants noticed the banner ads, suggesting that these effects were driven by a nonconscious process. Further, processing fluency of the target seems to mediate these effects.

### "Noticing Change in Our World: The Role of Emotions in Stimulus Discrimination"

*Derek D. Rucker, Northwestern University*
*Aparna A. Labroo, University of Chicago*

In 1985, New Coke, a reformulation of Coke Classic, was launched. Coke had spent $4 million and interviewed 200,000 consumers to make this decision, and blind taste tests had determined that consumers clearly preferred the taste of the new product. The product failed in the marketplace and was quickly withdrawn. Did the loyal consumers, supposedly consumers having many happy feelings relating to Coke, fail to notice the improvement in flavor? Companies often introduce changes to their products or product packaging, for example, to reflect a promotion, such as a free toy inside a cereal box. What factors affect consumers' success in detecting such changes? Although an important question, research has only recently begun understanding factors affecting change detection. In the current research, we consider how consumers' emotions and the valence of associations to a product interactively affect success in detecting change in the product. For example, feeling happy, are consumers likely to be more accurate in discerning changes in a positive stimulus (*kitten*) or a negative stimulus (*roach*)? Are they likely to be more accurate in discerning change in a neutral stimulus (*beer*) when they form positive (*liked beer*) versus negative (*disliked beer*) associations with the product? Why might this happen?

Traditional models of memory suggest detecting change requires attention to the initial stimulus and storing a representation of that stimulus in memory until it is encountered again (Rensink, 2000, 2002). Importantly, any factor that interferes with holding a representation in memory, such as an increasing delay between the presentation of the initial stimulus and the target of comparison, or its retrieval from memory, such as other interfering representations, impairs people's success at detecting change.

How might emotions influence consumers' success in detecting change? Recent research suggests that emotions facilitate automatic capture of attention of valence inconsistent information (Rothermund 2003, Rothermund, Wenura, and Bak, 2001). As a consequence, consumers may not only pay less attention to mood congruent information, but may also fill in peripheral details of the mood congruent stimulus. Based on this, one might predict that consumers will be more accurate in detecting change in stimuli whose valence is inconsistent with the valence of their current mood. Notably, prior research suggests that the impairment in detecting change will occur at the time of encoding of the stimulus. However, we propose that there is also reason to believe that the impairment might occur during storage and retrieval of the representation from memory. That is, mood interferes with the storage and retrieval of mood congruent information from memory. The implication is that the effects of mood are not hardwired. Simply imagining positive (favorite beer) or negative (disliked beer) associations toward a neutral stimulus (beer) might lead to mood incongruent effects in the detection of change. That is, happy people may be more likely to be accurate in detecting whether a beer changed or not when they previously imagined it to be a disliked versus liked beer. The reverse is true for unhappy respondents. In two experiments, we tested how emotions affect people's success in detecting changes in positive versus negative stimuli. In experiment 1, we sought to establish that people are more accurate in detecting change in mood incongruent stimuli, controlling the amount of attention to the stimulus. In experiment 2, we further tested whether mood interferes with storage and retrieval of a previously encoded representation of a stimulus.

Experiment 1 manipulated participants' emotions and the evaluative associations to the target. First, participants were asked to recall a time they either felt happy or sad, a well-established mood manipulation. Participants were then exposed repeatedly to a target stimulus and their task was to indicate whether the brightness of the target changed between two exposures. Importantly, the valence of the target stimuli was experimentally manipulated to be either positive (e.g., kitten) or negative (e.g., roach). Results revealed a significant interaction ($p<.01$) between participants' emotions and the valence of the stimuli. Supporting the incongruency hypothesis,

participants in a positive (negative) mood may more errors attempting to detect change in a positive (negative) object compared to a negative (positive) object.

Whereas Experiment 1 used target stimuli that were either positive (*kitten*) or negative (*roach*), Experiment 2 used a neutral stimulus (*beer*) but manipulated whether participants' associations to that stimulus were positive or negative. This manipulation allowed us to test the idea that consumers' current emotions interfere with participants' own representation of a stimulus, rather than other properties of the stimulus itself. Specifically, prior to the change detection task participants were asked to imagine a glass of beer as a beer they liked or hated. After that, participants wrote about a happy or an unhappy life event. Thus, mood was manipulated after the initial stimulus had been encoded, and different attention to the stimulus based on a preexisting mood state was not possible. After the mood manipulation, participants then were asked to attempt to detect any change in the beer from one slide to the next. As in experiment 1, we systematically varied the brightness of the object. A significant interaction emerged replicating the results of experiment 1 ($p<.01$). Participants in a positive (negative) mood may more errors attempting to detect change when they had imagined the beer to be positive (negative) compared to negative (positive).

The present research suggests that mood interferes with the accurate storage of a mood congruent representation in memory and consequently the accurate detection of change. This is particularly interesting because the detection of change was thought of as a purely perceptual task; yet we found a conceptually-based interference effect of mood. That is, the data suggested cross modal interference: the conceptual system interfered with holding of an accurate perception. The present research calls for more research to examine how the perceptual and conceptual systems may interactively influence success in accurately assessing change in objects.

### "To Trust or Not Trust One's Feelings in Ultimatum Bargaining"

*Andrew T. Stephen, Columbia University*
*Michel Tuan Pham, Columbia University*

The effects of emotion on human decision making may not be as detrimental as generally believed. In particular, feelings and emotions appear to sustain an *ecological* form of rationality in that they often enhance people's ability to relate to their social, cultural and natural environment (Pham, 2007). As part of a broader investigation of the role of emotions in economic interactions, this research examines across five experiments how differences in how much people trust and rely on their feelings influence their behavior in a classic economic game called the ultimatum game, which provides a powerful means of studying bargaining and negotiation behavior.

In this game, one player, the proposer, has to propose a division of a sum of money between him- or herself and another player called the responder. If the responder accepts the offer, the two players are paid accordingly. If the responder rejects the offer, the two players each receive no payoff. According to standard economic theory, the optimal solution in this game is for the proposer to offer the smallest positive residual possible, which the responder should rationally accept. Empirical economics studies show, however, that this supposedly "rational" equilibrium is rarely met. Instead, proposers typically offer a substantial fraction of the money, which responders generally accept. It has been suggested that this regular empirical deviation from the supposedly rational economic equilibrium may be driven by the emotions that the players feel. However, empirical investigations of the role of emotions in this game have been inconclusive because of the inherent difficulty in isolating the effects of emotions precisely.

To obtain more insight into the role played by emotions in this game, in our experiments we subtly manipulate the players' reliance on their feelings by varying their momentary trust in their feelings. To manipulate players' trust in their feelings, we used a manipulation developed by Avnet and Pham (2007) based on an earlier ease-of-retrieval manipulation by Schwarz et al. (1991). Specifically, participants were asked to recall two or ten instances in the past in which they had trusted their feelings in making a decision and it turned out to be the "right" decision. Previous findings by Avnet and Pham (2007) indicate that those players who recalled just two examples of themselves correctly trusting their feelings would have a higher level of momentary trust in their feelings than those players who recalled ten examples—an assumption that was verified in another pretest.

Experiment 1 examined proposers' behavior in the ultimatum game, and found that proposers who trust their feelings more make less generous offers than proposers who trust their feelings less. Interestingly, while the offers made by proposers with higher trust in their feelings were less generous, most of these offers were still in a range that made them likely to be accepted. On the other hand, proposers with lower trust in their feelings tended to make offers that were slightly too generous. Also, proposers with higher trust in their feelings who made less generous and objectively riskier offers did not rate the subjective probability of their offers being accepted any lower than proposers with lower trust in their feelings who made objectively more conservative (less riskier) offers.

Experiment 2 examined proposers' behavior in the dictator version of the game where responders have no choice and are forced to accept the offers made to them. In this version of the game, proposers face no risk of rejection. This experiment yielded the same pattern of results as in Experiment 1: proposers with higher trust in their feelings made lower, less generous offers than proposers who trusted their feelings less. Compared to Experiment 1, proposers with higher trust in feelings lowered their offers more than did proposers with lower trust in their feelings. Thus, players with higher trust in their feelings strategically adjusted to the risk-free nature of the dictator game more strongly than players with lower trust in their feelings.

A possible explanation for the patterns of results in the first two experiments is that players with higher versus lower trust in their feelings might have substantively different perceptions of what constitutes a "fair" division. Experiment 3 tested this hypothesis and found that perceptions of the fairness of various divisions of the money pie did not differ across conditions. Players with high and low trust in their feelings exhibited similar perceptions of "fairness." Hence, differences in behaviors found in the first two experiments cannot be attributed to substantively different notions of "fairness." Instead, they are likely due to differences in how high-trust-in-feelings versus low-trust-in-feelings players think about and play the game.

The first three experiments focused on proposer behavior. Respondent behavior was examined in Experiment 4. Responders played the game twice, against different proposers, and were presented with a high offer and a low offer in successive rounds whose order was randomized. The results showed that responders with higher trust in their feelings were more likely to reject lower, "unfair" offers than responders with lower trust in their feelings, but equally likely to accept "fairer" offers. Players with higher trust in their feelings were more sensitive to lower offers than players with lower trust in their feelings, and would reject these lower offers even though rejection would "rationally" disadvantage them.

One explanation for the first four experiments' findings is that high trust in their feelings leads players to represent the game in a more *literal* fashion. This seems to manifest as a greater sensitivity to relative payoffs, with a distinct preference for outcomes that provide a relatively higher payoff to themselves at the expense of their opponent. Conversely, players who trust their feelings less and presumably rely more on logical, rational thought processes in playing the game tend to be less concerned with relative payoffs and more focused simply on receiving a nonzero payoff for themselves. To test this explanation, we conducted a fifth experiment in which responders were allowed to make a counteroffer. Adding this extra stage in the game resulted in a dramatic change in the proposers' behavior. Unlike in previous studies, proposers with higher trust in their feelings now made more generous offers than proposers with lower trust in their feelings, suggesting that trusting one's feeling alter how players mentally represent the game.

Finally, in terms of payoffs received, it was found that players with higher trust in their feelings did not do any worse—and in some studies in fact did better—than players with lower trust in their feelings. Trusting one's feelings and therefore incorporating affect-based information into these kinds of strategic decisions may thus be ecologically rational in that this strategy may result in higher long-term welfare for both parties.

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# Understanding Collaboration and Collective Production: New Insights on Consumer Co-Production

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## SESSION OVERVIEW

The concept of co-production is central to marketing's new Service-Dominant Logic (Vargo and Lusch 2004), which has been attracting considerable recent attention from both academics and practitioners. A co-production perspective is one where "the customer becomes primarily an operant resource (coproducer) rather than an operand resource ('target') and can be involved in the entire value and service chain" (Vargo and Lusch 2004, p. 11). A better understanding of co-production activities is important not just because of recent growing interest in the phenomenon (Lusch and Vargo 2006), but also because such investigations are likely to contribute to our already extensive knowledge about how consumers interact with one another in the marketplace (e.g. Schouten and McAlexander 1995). Achieving this better understanding is the collective aim of the researchers contributing to this symposium proposal.

Across three studies, we focus on two distinct types of co-production, which have not yet been fully discussed and distinguished in the literature. The first type, which we call "collaboration," is the partnership of consumers with the company to co-produce a service (Meuter et al. 2005), a brand identity (Sherry 2006), or a product (von Hippel 2005). The second type, which we call "collective production," is the interaction between consumers to produce a brand community (Muniz and O'Guinn 2001), a narrative (Schau and Russell 2004), or product alterations (Schau and Muniz 2005), independent of company input and stewardship. Our session aims to investigate theoretical and practical issues associated with each of these types of co-production (collaboration and collective production) in order to better understand marketplace relationships (both consumer-to-consumer and consumer-to-organization), and their role in the marketing process.

Understanding more about collaboration and collective production is important for three reasons. First, co-production is becoming an increasingly visible phenomenon in the marketplace. As evidenced by consumer participation in recent Super Bowl advertisements, consumers are being more openly solicited for input into the development of marketing mix elements. And, in domains like Amazon.com and Youtube.com, the traditional consumer role has become blurred as it moves from a 'passive' receiver of value to an 'active' producer of value. Second, the analytical distinction between consumers and producers is foundational for orienting existing models of market exchange including pricing, cost structure, and division of rewards from intellectual property. What adjustments in our theories of consumer behavior are therefore required when the distinction between 'consumers' and 'producers' becomes blurred? Lastly, we know from previous research that consumers form communities around products (Muniz and Schau 2005), brands (Muniz and O'Guinn 2001), and media (Kozinets 2001), but we don't yet fully understand how this collective activity relates back to the company itself.

Three papers will explore co-production by examining collaboration and collective production. In an exploration of collective production, Andrea Hemetsberger will discuss the way in which open-source contributors negotiate and portray their roles as members of an entrepreneurial tribe. Johann Füller and Eric Von Hippel will present another study of collective production in which they examine joint innovation activities in a community of computer users and modifiers. Lastly, Ashlee Humphreys and Kent Grayson will use data from a collectively-produced online encyclopedia, to understand how conflict is managed in consumer collaboration and collective production activities. Following the paper presentations, a discussion will be led by Al Muniz, whose published work has already made significant contributions to the literature on consumer-consumer and consumer-organization relationships (Muniz and O'Guinn 2001, Muniz and Schau 2005).

This session contributes to our understanding of consumer behavior in three ways. First, by studying relatively new consumer-behavior contexts, we learn something about a novel mode of consumer-production and are able to better understand the type of value produced by this mode of consumption. Second, we enrich our understanding of company-consumer relations by moving from a dyadic model to a multi-nodal model that includes company-consumer, consumer-consumer, and company-community relationships. Finally, we gain a better understanding of the nature and direction of consumer activity, including collaboration, dissent, and production processes.

## EXTENDED ABSTRACTS

### "Between Idealism and Realism: Negotiating the Entrepreneurial Role of the Free and Open-source Movement in Contemporary Economy"

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From a consumer research perspective, we can approach the networked information environment as a collective form of consumer creativity, which is transpiring through interactions of networks of consumers as they communicate, share community and forge culture. Consumers are creative human actors in various consumptionscapes (Ger and Belk 1996). Yet, consumer creativity goes far beyond that. The changes in technology, economic organization, and social practices have resulted in remarkable new forms of co-production, such as the collective production of software. This is the case of free and open-source software (F/OSS). Together, consumers are creating sophisticated software–the outcome of an aggregation of collective expertise that is difficult to match elsewhere (Bagozzi and Dholakia 2002; Cova, Kozinets and Shakar, 2007). Consumers/users/co-producers passionately engage in programming, freely share their work with online friends, and build up successful businesses with free and open-source software.

This research examines the discourse of the F/OSS community, and carves out the ambivalent nature of their emerging entrepreneurial identity. It shows how co-producing tribes on the Internet negotiate, resolve, and restate contradictory motivations and tensions that arise from their common practice as successful entrepreneurs. It also contributes to our burgeoning understanding of online tribes and their role as "productive" communities. Finally, this presentation contributes to the current postmodern discussion concerning the spheres of production, consumption, and entrepreneurship.

In this symposium session I will report on an interpretive study, using public discourse data from the main newsforum of the F/OSS movement, covering the years 2000 to 2006. 10 to 15 stories are posted daily, which produce up to 5,700 replies. Posted stories with relevant topics and replies above a critical threshold of 600 to

1000 were selected. I used a grounded theory approach (Goulding, 2002) and analyzed the data for emergent themes.

I separated out four important quadrants of identity discourse. The first quadrant comprises Utopian romantic discourse which connects early altruist, gift-giving and helping behavior narratives, accompanied by discourse about highly passionate work. A second quadrant encompasses strong notions of freedom and libertarian values, resulting from a countercultural, emancipatory striving. These two quadrants reflect the political-ideological motivations for the collaborative practices among the members of the F/OSS movement. Originally thought of as a revolutionary movement, instances of political-ideological discourse are geared towards radical distinction from work in capitalist enterprises. The other two quadrants are characterized by their realist undertone. One of them is ultimately pragmatic. Pragmatic discourse is oriented towards action, emphasizes the power of factuality and 'the power of the doer'. It advocates collaboration and free sharing as the origin of collective expertise and wealth. While political-ideological discourse is directed against capitalist working practices, the goal of realists is to produce excellent software. As long as this goal is achieved, action is considered moral. Realist skeptical discourse–the fourth quadrant–challenges naïve romantic and overly pragmatic action as well. It is characterized by careful attempts to impede co-optation and hostile takeovers of free and open-source businesses by the established industry. Realist discourse enables the Collective to think and act entrepreneurial, political-ideological discourse is "the guardian of the moral conscience".

By dissociating entrepreneurial action from the domain of "the entrepreneur" as a social institution, the findings contribute to the current discussion about the producing and entrepreneurial consumer. The findings suggest that participatory cultures like the F/OSS movement are as entrepreneurial in their thinking and acting as they are romantic and activist. Contrary to countercultural movements, entrepreneurial tribes contain a multitude of stances, are pluralistic and heterogeneous; they are no amorphous masses (Cova, Kozinets and Shankar, 2007). This produces contradictions and tensions, which seem to be vital for continued identity search and meaning construction of entrepreneurial consumer endeavors. In contrast to co-optation theoretical claims, online participatory cultures like the F/OSS community sustainably pursue their radically different production and business practices through their openness to multiple stances. Their entrepreneurial common practices provide new and empowering opportunities to define the social identity of consumers: not through consumption but through contributing to a collective, productive effort. Yet consumers' entrepreneurial identity is still ambivalent; struggling to become the moral collective entrepreneur uniting idealism and realism.

### "Innovation Creation in Online Consumer Communities– How Computer Tuners jointly Develop New Products"

*Johann Füller, University of Innsbruck*
*Eric Von Hippel, Massachusetts Institute of Technology*

While existing studies demonstrate the high quality of user innovations and give insight in the characteristics and motivations of innovative users (Hemetsberger, 2001; Lakhani & von Hippel, 2003; Shah, 2006; Von Krogh & Von Hippel, 2006), little is known about differences in consumers' innovation activities in dependence on their motivation. This paper investigates joint innovation creation activities in computer case modding and overclocking communities. It especially explores the impact of community members' motivations on their specific innovation behavior and innovation focus.

Similar to hot-rodders who customize car bodies, PC "modders" or "tuners" individualize their computers. Case modding primarily deals with changes of the design. Overclocking tries to force computer components to run at higher clock rate and thereby increase the levels of performance. The field of computer tuning was chosen for several reasons. First, computer tuners often meet in online communities dedicated to innovation activities. Second, creative and technically skilled users can be found in online computer tuning communities. Third, computer tuners do not only generate and discuss ideas but indeed build their own computers according to their specific needs. Fourth, case modding and overclocking present important market segments of consumer goods, both in terms of volume and innovation lead markets. Almost all gaming computers cases are modded. Designs for high performance hardware and new cooling systems are often initiated by overclockers.

Multiple research methods have been applied to shed light on the innovative behavior of computer tuning communities such as www.extremeovercloking.com and www.casemodder.de. Netnography (Kozinets 2002) served as starting point to get an understanding of the research field, identify interesting community members, and analyze their behaviors. Interviews provided an even deeper understanding and portrayed who those innovators are. Videography (Belk & Kozinets 2005) helped to capture richer insights: emotions, gestures, and impressions of computer tuning; valuable for a deep understanding. Finally, an online survey was used to quantitatively test our derived hypothesis regarding the relation between motives, innovation activities, and the type of created innovations.

Our findings reveal that computer tuners come up with creative solutions and tend to be very skilled. While the desire for unique solutions, need for better computers, and the fun derived from the modding activity itself seem to be the primary motives for case modders, overclockers either aim for more performance necessary to better run extensive software applications or to compete with others and set new benchmarking records. Like case modders, overclockers really love what they do and spend loads of time and money for their hobby. Besides of the utility gained from their self-created solutions and the fun derived from the creative act of building, community aspects like sharing experiences and know-how with others, striving for pride and recognition present further important aspects of computer tuners' motivations. For some community members, computer tuning is not just a hobby, but a philosophy which drives their everyday life.

Depending on the motives, computer tuners behaviors and kind of innovations seem to differ. Competition oriented computer tuners for example tend to innovate more extreme solutions often lacking practical applicability e.g. because of short durability and complex handling. While competition oriented computer tuners look for help and suggestions to improve their records in communities, they tend to keep their ideas private until they take part at a tournament. For computer tuners paying more attention to social aspects, developing a new computer is less important than getting involved in community related activities. Often, they fill a moderator or administrator position in the community.

Another interesting aspect encountered in our analysis is that motives and preferred innovation activities of community members seem to change over time. While personal need for a better computer may often be the initial reason to get into computer tuning, the feeling of mastering becomes more important after a while. Afterwards, some computer tuners become more interested in competitions while others engage in community activities around computer

tuning. Finally, most experienced and known members often become community champions who hold the group together and stimulate development of the domain.

First, our results challenge the predominant view of passive consumers. They show that consumers become active and produce their own products. Consumers become producers and execute tasks in their leisure time previously considered as work. Hence, the existing definition of consumers and producers becomes obsolete. Second, motives why consumers engage in collaborative innovation activities go beyond typical values encountered in economic and consumer theory. Hence, motives that affect consumers' way of life's may be more complex than so far reflected in theory. Third, collective collaboration seems to be a complex phenomenon allowing consumers to develop in different directions, taking on different roles, and contributing to different activities depending on their motivations. Little is known about consumers' careers as co-creator. With our findings we hope to contribute to a better understanding of the emerging phenomenon of community collaboration.

### "He Said, She Said: Managing Dissent in Co-Production"

*Ashlee Humphreys, Northwestern University*
*Kent Grayson, Northwestern University*

The notion that firms gain competitive advantage by engaging customers in co-production can invoke images of producers and consumers happily cooperating. However, community interactions also inevitably involve discord. And, while previous research has noted that disputes can occur among consumers within the same community (e.g., Kates 2002; Kozinets 2001) or between producers and consumers (e.g., Kozinets and Handelman 2004), less attention has been given to the systems that consumer communities develop for handling these disputes and the strategies that individual consumers use for winning them. That is the focus of our research. We seek to understand how disputes among consumers can be managed in a way that maximizes the benefits of consumer collaboration and collective production.

To develop this understanding, we focus on disputes that occur among the consumer/producers of Wikipedia, an open-source online encyclopedia. Wikipedia offers two important advantages for our research. First, the Wikipedia community has developed specific guidelines for handling conflict, which provides uniquely tangible evidence for our study. Second, most disputes on Wikipedia are part of the public record, which offers an extensive and comprehensive population of disputes for us to sample.

We analyzed two data sets from Wikipedia.com. The first consisted of 100 Wikipedia articles (and their accompanying discussions) randomly chosen from all Wikipedia articles. The second consisted of 100 articles (and discussions) randomly chosen from a set of 1111 "core" topics on Wikipedia. Articles, discussions, and revision histories were all read and open-coded for common themes and strategies.

In line with previous research on disputes in the social construction of knowledge (Fuchs and Ward 1994; Owen-Smith 2001; Rosental 2003; Tuchman 1972), we find that the very same tactics used to assert claims can be inverted and used as tactics to contest or undermine claims. Extending previous research, we identify six tactics that are used this way. When consumers *(de)objectify* a claim, they focus on whether a statement is appropriately supported by expert or secondary sources (Tuchman 1972). When they *(de)rationalize* a claim, they focus on whether the claim meets the rules of logic or follows common sense (Tuchman 1972). *(De)proceduralizing* a claim, involves a focus on whether formal or informal procedures were followed in making or disputing the claim (Daston 1992; Porter 1995). *(De)structuring* a claim involves

addressing whether the formatting or presentation meets formal or informal expectations (Fuchs and Ward 1994; Tuchman 1972). When consumers *(de)reputationalize* a claim, they focus on whether the claimant has knowledge or biases relevant to the claim (Fuchs and Ward 1994; Tuchman 1972). When they *(de)assert* a claim, they address whether a claim is so undisputed that it does not need any tactics to reinforce it. And, when they *(de)enforce* a claim, they take a unilateral action against another claimant such as classifying certain claims as irrelevant or deleting claims altogether (Fine 1996).

We further extend previous research by providing insight regarding the power implications of each of these tactics. We group the above tactics according to whether they invoke power by referring to consensus [(de)objectifying, (de)rationalizing], to accepted rules [(de)proceduralizing, (de)structuring], or to the claimant [(de)reputationalizing, (de)asserting, (de)enforcing]. We find that gaining power by consensus and reference to accepted rules are the two most common strategies, but that references to the claimant are both more influential and more detrimental to the collaborative process. Tactics such as (de)enforcing, for example, work by defining the 'field' of a topic and thus influence what can and cannot be legitimately said about the topic, and limit the ability of other users to make contributions (Foucault 1977). Our research points to the importance of providing consumers engaged in collective production with approaches for handling conflict that may enhance the collaborative process. We also draw attention to the fact that consumer community discourse is not always harmonious and that power in these communities is often heterogeneous.

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# Commercial Mythology and the Global Organization of Consumption

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### SESSION OVERVIEW

How does commercially-mediated mythology organize the frameworks in which consumer choices unfold? Can its influence be measured? This session aims to develop answers to these theoretical questions rendered compelling by "the proliferation of the imaginary made possible by the new" global media- and brandscapes (Savage, Bagnall and Longhurst 2005). Why myth? Myth offers a way of studying cross-cultural consumption that is consistent with CCT's distributed view of culture (Arnould and Thompson 2005). Further, ethnologists have long recognized that myth is a distributed cultural phenomenon not coterminous with geography or society (Leach 1967; 1970); and, there is some evidence of this in consumer culture (Brannen 1992). And finally although Barthes' (1970/1957) explicitly theorized the significant ordering role of myth in consumer culture, scholars have not tapped his insights to explain how myth may organize consumption on a global scale.

This symposium session delivers on the theme of spanning and bridging. The authors deploy qualitative and quantitative methodologies and theoretical orientations, representing diverse scientific traditions in consumer research to the substantive topic of consumer mythology and market outcomes. Mythology is shown to be a non-reductionist way to operationalize cross-cultural research. Mythology is shown to transcend the brand context. Still its impact on brand involvement can be measured. The session should be of interest to those scholars interested in branding, cross-cultural research, consumption meanings, and multi-method research.

What is commercially mediated mythology? It is harnessing myth to commercial purposes via the marketplace. Previous work on consumer mythology (Holt and Thompson 2004; Thompson 2004; has not always provided clear definitions of commercial myth or has used the term rather more fluidly than desirable. Thus, one purpose of this session is to contribute to the conceptual development of this construct. In general, myth may be qualified in terms of the following characteristics (Georges 1968; Leach 1967; Lewi 2003; Stern 1995):

1. A myth is a foundational story or system of related stories perceived to be age-old. Myth imposes sense and order on experience and is believed to encode time-proved verities. Actors in mythic stories face cosmic or epic challenges such as the tales of Gilgamesh, the story of Job, or the very human Jesus in *The Passion of the Christ*.
2. Myths are anonymous, shared, and to survive must be continuously re-appropriated by a social group, as in the recycling of Cinderella tales through many successful American films, e.g., *Princess Diaries*, *Ella Enchanted*, and *Maid in Manhattan*, or in the Chanel myth among fashion subculture insiders (Lewi 2003).
3. Myths integrate social groups by proposing meaning for social life and outlining appropriate modes of conduct. Myth helps people understand their place in society, as in utopian myth (Kozinets 2001), dystopian myths (Kozinets 1997), or gnostic myth (Thompson 2004).
4. People think myths compelling and "believable;" in some sense, "it could happen."
5. The heroes who populate myths tend to be monotypic, shorn of psychological complexity and nuance. They

incarnate powerful forces. Archetypes such as the man-with-no-name in Clint Eastwood's classic westerns or even James Bond fascinate us because they are absolute.
6. Myths are dynamized by compelling binaries: good-evil, high-low, nature-culture, life-death, day-night, science-nature, and so on. The male-female binary, for example is central to the mythology of Goth consumer sub-culture (Goulding, et al. 2004).

A small stream of influential research and practitioner targeted texts have tapped into the ways in which brands become mythical resources and the impact of such brands on consumer behavior and other marketing outcomes (Atkin 2004; Lewi 2003; Vincent 2002). The most thoroughgoing treatment in English is Holt (2003a). Holt outlines a general theory of brand iconicity in which brands are viewed as exemplifying classic mythic characteristics (although points 4 & 5 are not so germane to his analysis). Moreover, iconic brands, rather like totemic objects (Leach 1967) render myths more accessible, more easily appropriated, and these facts together help to explain iconic brands marketplace success. However, the myths iconic brands resolve are existential contradictions people feel between their own lived experience and society's prevailing ideologies, rather than classic mythic binaries. Perhaps more central to our session is Holt's contention that brands compete in what he calls "myth markets:"

> "a myth market is as an implicit *national* conversation in which a wide variety of cultural products compete to provide the most compelling myth. The topic of the conversation is the national ideology, and it is taken up by many contenders" (Holt 2003b, 44, emphasis added).

In contrast, in addition to clarifying the nature of global consumer myth, the second contribution of this session is to argue that myth markets play a significant role in organizing and structuring the choice-making work of consumers that transcends the brand context (paper by Pauline and Cele). Our third and final contribution (papers by Yuliya et al. and Søren and Dannie) is to argue that some myth markets are transnational globalscaping phenomena, constituent of global commercial ideoscapes (Appadurai 1990; see Tissiers-Desbords and Arnould 2005's work on beauty products in France), and thus transcend the national context central to Thompson (2004) and Holt's work (2003b).) Thus in this session we seek to build insights to extend mythic analysis of the type pioneered by Thompson (2004) and Holt and Thompson (2004) globally.

The paper by Pauline and Cele on the British Royal Family (BRF) myth explores how myth is produced and kept relevant in contemporary consumer societies, by looking at how producers shape consumers' experiences of the British Royal Family (BRF) brand. The authors' paper also illustrates the ways in which mediatized and commercialized places and events simultaneously fuel a secular myth market via particular narrative elements, and a trade in BRF merchandise and BRF sanctioned goods and services. The paper by Søren and Dannie examines one of the most fundamental myths of contemporary consumer culture, the myth of the self-actualizing consumer. The authors unpack the origins and dimensions of this mythic construct as a central organizing dynamic in consumer culture. If the paper by Pauline, Cele and Eileen focus

on the production of global mythology, and that of Søren and Dannie dimensionalizes one of consumer culture's foundational myths, the paper by Yuliya, Robin and Linda focus a S.E.M-based assessment of the impact of a global brand myth as a central tool for self-actualizing consumer identity projects and brand involvement. Eric Arnould leads a discussion of the further potential for deploying the myth construct in explaining global consumer trends and outcomes.

## EXTENDED ABSTRACTS

### "Maintaining the Myth of the Monarchy: How Producers Shape Consumers' Experiences of the British Royal Family"
*Pauline Maclaran, Keele University*
*Cele Otnes, University of Illinois*
*Eileen Fischer, York University*

The myth of the monarchy around the globe often begins in childhood, with fairy stories of magnificent castles peopled with wealthy kings and queens, Prince Charmings and Sleeping Beauties. These archetypal figures are deeply rooted in our psyches, shrouded in mystery and allure, and fuelling our imaginations. Indeed, within marketing, we can offer no higher accolade than to acknowledge the customer as "king", the notion of the "sovereign" consumer.

In this paper, we explore how the myth of the actual monarchy is kept alive and relevant in contemporary consumer societies, by looking at how producers shape consumers' experiences of the British Royal Family (BRF) brand. Our rationale for conceptualizing the BRF as a brand stems from Balmer, Greyser, and Urde's (2004) argument that the monarchy should not be regarded solely as a political institution, but is conceptually comparable to a corporate brand that offers consumers tangible benefits. These include providing consumers with a respected and shared symbol of nationalism, helping them engage in national "togetherness", and fostering a sense of identity based on a shared history, culture, and traditions. Moreover, conceptualizing the BRF among all extant monarchies is especially appropriate, because although it no longer plays any real political role in the United Kingdom, 53 countries still claim allegiance to the British Commonwealth (wikipedia.org, 2006). Furthermore, many manufacturers in a plethora of industries (e.g., tourism, film, publishing, china and ceramics) produce goods, services and experiences specifically designed to enhance consumers' knowledge and enjoyment of the BRF, and depend on consumers' interaction with the BRF brand to remain viable businesses. "By Special Appointment to HRH" is a much sought-after endorsement that gives a product or service perceived "sovereignty" within its particular category.

In 2005, we conducted depth interviews with retailers of memorabilia (who were interviewed multiple times), editors of newspaper columns and magazines devoted to royalty, and curators of royal palaces (a total of eight informants). Interviews focused on how and why these producers believed the myth of the monarchy was so compelling to consumers, and their roles in supporting and encouraging the co-creation of meanings around goods, services and experiences related to the BRF. Our axial coding and pattern recognition of the text resulted in our identification and interpretation of five key themes in the experiences that they create for consumers around the BRF brand, as they engage in maintaining and, in some instances, modify, the myth of the monarchy. These are:

### 1) Storying the Monarchy: Telling Tales of People

In making royal attractions (i.e. palaces and other venues associated with the monarch) accessible to the public, the emphasis is on the use of narrative to build a relationship with consumers and give them co-ownership of the myth. Royal buildings become repositories for stories about the relationship between monarchs and their people, the various tensions therein, and how, together, they have shaped society. A recent exhibition in the Tower of London, "Gunpowder Treason", tells the story of Guy Fawkes' plot to overthrow the king in 1605. The present BRF is seen as only one chapter in this story of the monarchy.

### 2) Keeping History Alive: Creating Links between Past and Present

This use of narrative that according to Vincent (2002. p. 19), "connects the consumer and the brand in a kind of existential bond", concentrates on bridging the past and present, juxtaposing the old with the new (Brian May playing "God Save the Queen" at the Queen's Golden Jubilee celebrations), and making it relevant for today's consumers (Guy Fawkes as the first terrorist). This helps the myth of the monarchy to remain timeless.

### 3) Event Management: Pomp and Pageantry

Keeping royal rituals alive and, in some cases, inventing new ones is importani (Billig 1992). The public celebrations that surround these events-coronations, silver and golden jubilees, birthdays, anniversaries, and marriages-present perfect opportunities to create commemorative collections and other types of memorabilia that re-enchant consumers. Like "brandfests" (McAlexander et al. 2002), these events not only offer consumers experiences that reconnect them to the core values and traditions of the monarchy, but also allow their own personal stories to interweave with those of the BRF brand.

### 4) The Role of Place: Creating a Persona for Each Palace

The creation of a unique sense of place for each of the royal symbolizes the monarch's extraordinary wealth, but also evokes different facets of the myth of the monarchy: the Tower of London is powerful, intriguing, ancient; Hampton Court is majestic, romantic, and flamboyant; the Banqueting House is dramatic, exuberant, and revolutionary; Kensington Palace is feminine, fashionable, and stylish; and Kew is intimate, domestic, and intense. These personae provide the backdrops against which various embedded stories are played out.

### 5) Creation and Sustainability of Sub-Myths

The media-centered nature of much of the storytelling aspects around the BRF often creates sub-myths, as in the case of Diana, Princess of Wales, a mythic figure in her own right with a mythic sub-text of "The Cinderella Princess". Now new sub-myths are starting to grow around her sons, Princes William and Harry. In these ways the myth of the monarchy remains a never-ending story, a still unfolding mystery.

In these various ways, producers together build the BRF brand narrative (Holt 2004), thereby re-circulating and up-dating the myth of the monarchy for contemporary consumers. According to Holt (2004), brand myths resolve key societal tensions at particular periods in history. Perhaps the real lure of the monarchy for today's consumer, confronted by the "tyranny of choice" (Schwartz 2004), is actually in the *lack* of choice that this concept offers. One does not choose a monarchy; its legitimacy is conferred from above (the divine), rather than from below (the people) (Fitzgerald 2007). Thus, despite existing within a largely secular society, producers of the BRF experience represent and reinforce the monarchy's quasi-sacred properties and mythic potential.

### "The Global Myth of "Me": Self-Actualization and Identity Practices in the Contemporary Global Consumptionscape"

*Søren Askegaard, Southern Denmark University*
*Dannie Kjeldgaard, Southern Denmark University*

This paper takes its point of departure in possibly one of the most fundamental myths of contemporary consumer culture, the myth of the self-actualizing consumer. The central narrative of this mythology is that the goal of human existence is, as formulated by Nietzsche (2005 [1888]) in *Ecce Homo* "to become what one is", through the unfolding of the true and natural self via self-actualizing activities and therapies. In this way, the myth of self-actualization unites the two core marketplace mythologies, the Romantic and the Gnostic, suggested by Thompson (2004).

Part and parcel of the project of modernity is an accelerating process of individualization as rigid social structures disappear as frames for identity. The notion of the individual becomes an institutional feature of what it means to be (a) modern (consumer). The myth of self-actualization intensified and diffused on an increasingly global scale through the combination of the popularity of psychology and new-age orientation towards Eastern philosophical and religious practices among Western cultural movements of the 1960s and 70s. Paradoxically the focus on individual emancipation and self-realization of this ostensibly anti-capitalist movement fits the core ideology of consumer culture (Jackson Lears 1983)

The commercialization of the myth of self-actualization takes two forms: a general and a specific one. The general form is the way in which all kinds of references to the role of products, brands and consumption in consumers' self-enhancement and self-actualization is prevalent in modern commercial vernacular and form the mythological basis for one of the substantial research streams of consumer culture theory, termed "Consumer Identity Projects" (Arnould and Thompson 2005). The specific form, on which we will focus here, is the huge and growing self-actualization industry communicated through self-help books, courses, coaching, personal branding etc. and, increasingly, through life style programming on TV. This could also be called the marketplace mythology (Thompson 2004) of self-actualization, a particular commercial rendition of modern regimes of self governance (Belk, Ger and Askegaard 2003).

Why do we talk about self-actualization as a myth? Because the self-actualizing industries' discourse often evokes the heroic monadic self that is trying to liberate itself from Society's constraining social norms and expectations (see elements 3,5 and 6 above). Self-actualization is thus linked to a Rousseau inspired anthropocentrism of unspoiled, immediate natural state of being as against unnatural technologized society. Of course, the modern idea of the individual is not an a-historical concept (Dumont 1980). But the basic function of the myth in society is exactly to naturalize that which is culturally instituted, thereby legitimizing it and providing it with a status of profound truth (Barthes 1970/1957). When the ancient Greeks proclaimed *Gnothi seauton* (know thyself), they did not advocate a modern concept of self-actualization but reminded the people that they should reflect on their own place in the world in relation to the Gods and the social order. Thanks to the myth of self-actualization, we understand this credo very differently.

The myth of consumer self-actualization is part of modern management paradigms and global capitalism's quest for a flexible work-force and the constant self-development of the individual as an attractive employee in a post-industrial economy. The generalized myth of self-actualization is thus found in the sphere of production as well as in the sphere of consumption. The consequence of this is a myth and identity script which promotes the idea of an unfinished self (Bauman 2004). In the myth of self-actualization the subject stands in an instrumental relation to the self-identity both in the role of employee, consumer and, one might hypothesize in the intimate sphere of family-making and procreation.

One may argue that humanistic psychology with its focus on self-actualization in the tradition of Maslow (1954) and Rogers (1961), has developed into the most prevalent popular psychology and, thus, a cornerstone of a modern lifestyle (Smith 1997). According to Brinkmann (2005), there are three major consequences of this humanistic ethic: hypostasis, therapeutization, and subjectivization. *Hypostasis* indicates that the self becomes conceived in material terms as a resource or a commodity, an object for consumption as in working with one's self through a mind- and body regimes: controlling one's caloric intake and one's exercise level or managing one's fashionability in terms of clothes, shoes, hair and make-up. *Therapeutization* refers to the degree to which life becomes a therapeutic project and is linked to consumer culture in the general idea that products and brands are there to help the consumer cope, to solve problems occurring in daily social life. *Subjectivization* is indicative of a tendency to consider moral values as inner and private rather than externally given and is reflected in the philosophy that "the customer is always right", that the ultimate judgment of the appropriate character of some kind of solution rests on the acceptance of the user/customer/client.

We will illustrate the global character of the myth of self-actualization with an example from Nepal. The example is based on a set of depth interviews with Nepalese yoga institute owners as well as yoga practitioners in Kathmandu. Furthermore, secondary data was collected in the form of advertisements for yoga institutes and magazine and newspaper articles about the local yoga market. The modernization of the Nepalese middle classes led to a sharp decrease in yoga practice since it was associated with archaic (non-modern) religious cultural practice. Today, the meaning of yoga in the context of Nepalese middle class youth is changing from a religious to a secular one. The practice of yoga is gaining renewed popularity among the Nepalese youth as a symbol of modernity, endorsed by Western celebrity yoga practitioners such as Sting and Madonna. Yoga classes are now found in the urban health and fitness centres where they are positioned and marketed as a way for the self-actualizing consumer to live a life of physical and mental health and balance not as a lived practice of a pre-modern local culture but as part of the myth of what it means to be a modern consumer.

### "Buying into the Global Myth: A Cross-National Investigation of Building Identity Through Brands"

*Yuliya Strizhakova, Suffolk University*
*Robin Coulter, University of Connecticut*
*Linda Price, University of Arizona*

According to Holt, Quelch, and Taylor (2004), consumers look to global brands to create an "imagined global identity," a transnational "global myth" of belonging anchored in consumer culture. A premise of this research is that branded products are a preeminent source of mythic and symbolic resources for consumer identity projects (Arnould and Thompson 2005; Holt 2002; 2004). In prior research, we questioned the premise that branded products are omnipresent resources for consumer identity through an examination of consumers in Hungary and Romania. We found consumers' involvement with branded products is framed by their ideological positions about consumer culture, and varied, nuanced, and socio-historically situated (Coulter, Price, and Feick 2003).

In our present research, we examine whether and how a transnational global brand myth drives consumer involvement with branded products among youth in the U.S. and Romania. Our

research in these two countries enables us to compare the ideological buy-in to consumer culture between young American consumers and Romanian consumers who recently have witnessed an explosion of branded products touted as tools of personal identity actualization. We are particularly interested in: 1) whether a belief in the global brand myth fuels the use of branded products as central tools for identity projects, and 2) whether branded products serving as tools for identity drive involvement with branded products. Our research also assesses other relevant variables that might contribute to involvement with branded products (Coulter et al. 2003). Our present work is grounded in depth interviews with young people in Romania and the U.S., but in this abstract we restrict attention to the results of survey responses of 218 American ($M_{age}$=21.01, $SD_{age}$=1.74) and 287 ($M_{age}$=19.93, $SD_{age}$=1.25) Romanian young adults.

Based upon our depth interviews, extant literature, and initial brainstorming related to content and translation issues, we developed multi-item 7-point scale measures of our constructs of interest. Items were translated from English into Romanian and then back-translated by two native Romanian speakers. We assessed global myth using three items: "Buying global brands make me feel like a citizen of the world," "Purchasing global brands makes me feel part of something bigger," and "Buying global brands give me a sense of belonging to the global marketplace" ($\alpha_{US}$=.86; $\alpha_{RO}$=.82; Holt et al. 2004). To measure consumers' use of branded products as expressions of personal identity, we developed five items each to assess self-identity, group-identity, and status. The second-order latent factor measurement model of personal identity resulted in an acceptable fit ($\chi^2$/$df$ ratio=2.24, CFI=.95, TLI =.94, RMSEA<.05, Hoelter=268 at $p$=.05), with factor loadings ranging from .86 to .98 for the countries, and indicative of configural invariance; the model exhibited full metric and partial scalar invariance (Steenkamp and Baumgartner 1998). The reliabilities for the 15-item scales were: $\alpha_{US}$=.94 and $\alpha_{RO}$=.92. Consumer ethnocentrism was measured using six items ($\alpha_{US}$=.88; $\alpha_{RO}$=.79; Klein, Ettenson, and Morris 1998; Shimp and Sharma 1987); cultural openness was measured using four items ($\alpha_{US}$=.90; $\alpha_{RO}$=.81; Sharma, Shimp and Shin 1995), and country-of-origin was measured using four items ($\alpha_{US}$=.92; $\alpha_{RO}$=.90). All scales exhibited configural, metric and scalar invariance. In addition, we computed a measure of involvement with branded products as an average of a respondent's answers about the importance of a brand name related to ten durable and non-durable products (such as, soda, chocolates, personal care items, automobiles, and TVs.)

Our measurement model yielded an acceptable fit: $\chi^2$/$df$ ratio=1.72, CFI=.92, TLI =.91, RMSEA<.04, Hoelter=316 at $p$=.05, and exhibited configural, metric, and scalar invariance. Our across-country z-test comparisons of latent means indicated that Romania had significantly higher means ($p$<.05) for global openness ($M$=5.46; $M$=4.83), country-of-origin ($M$=3.51; $M$=2.63), and involvement with branded products ($M$=5.44; $M$=4.99), whereas the U.S. had a significantly higher mean for using branded products to reflect personal identity ($M$=3.70; $M$=3.10). Strikingly, there were no significant differences between the two countries on ethnocentrism ($M_{US}$=2.53; $M_{RO}$=2.36) and global myth ($M_{US}$=3.41; $M_{RO}$=3.13).

In both the U.S. and Romania, global myth predicts the use of branded products to communicate personal identity, which in turn, predicts involvement with branded products. Additionally, across the data sets, ethnocentrism and cultural openness predict the extent to which consumers make brand choices based on their country-of-origin, and women reflect more cultural openness than men. But, the structural models differ in some respects. More complex paths between antecedent and dependent measures are present in the US

model than in the Romanian one. In the U.S., cultural openness has a stronger effect than ethnocentrism on global myth, and ethnocentrism also impacts the use of branded products to reflect personal identity. In Romania, concern for a brand's country-of-origin has a direct effect not only on personal identity, but also involvement with branded products. In our presentation we detail the implications of these findings and directions for future research.

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# Consumption, Health, and Consumer Wellbeing
Jason Riis, New York University, USA

## SESSION OVERVIEW

Economic theory and common lay intuition both tell us that as consumers get more of the things that they want, their quality of life and subjective well-being will improve. But this straightforward assumption is not consistently supported by empirical research. For example, people in developing countries are much wealthier today than they were 60 years ago, but there is little evidence that they are happier (Easterlin 2003). And several studies have suggested that the impact of health on happiness is surprisingly small (Riis et al 2005). One highly cited study of identical twins concluded that life circumstances account for just 10% of the variance in happiness between people, but that genetically determined personality accounts for 50% or more (Lykken and Tellegen 1996). If that is really the case, then the prospects of achieving happiness through consumption are extremely limited. As biotechnology continues to advance rapidly, many scientists expect that pharmacological options for directly improving well-being will become safer and much more effective (Hughes 2003, NeuroInsights 2006). If genetic disposition, and not consumption and health, is what drives happiness, then such pharmaceuticals may be very appealing to broad consumer segments.

The papers in this symposium will examine these issues. Both Hsee and Irwin and colleagues look at specific kinds of wealth and consumption and their differential effects on well-being. Loewenstein and colleagues examine the effects of poor health on happiness and demonstrate an important limitation to adaptation. Riis and colleagues examine consumer demand for the pharmacological improvement of well-being.

In the first paper, Hsee proposes that certain kinds of consumption experiences are more evaluable than others. Experiences that are inherently evaluable have the same influence on happiness whether experienced on their own, or when experienced in the presence of others who have slightly better or worse experiences. Such experiences directly influence one's visceral and biological system, so one's reaction to them is largely independent of social comparison. Experiences that do not directly influence the visceral and biological system are much more susceptible to social comparison. He demonstrates this in a lab study and in a large field study in China.

Irwin and colleagues also examine the effects of different kinds of consumption on happiness. They show two important moderators of previous findings that people get more lasting happiness following purchases of experiences than following purchases of durable goods. First, the effect is only found for purchases that turn out well. For disappointing purchases, the lingering bad feelings were at least as strong for experiences as for durables. Second, materialistic people tend to get just as much lasting happiness from durables as from experiences. The recommendation that consumers could improve their happiness by purchasing more experiences may thus only be true to the extent that experiences are successful, and to the extent that consumers are not materialistic.

Loewenstein and colleagues conducted a field study to investigate the mechanisms of adaptation to health conditions. They find that people adapt better to colostomies if they know that the procedure is permanent than if they know it to be temporary. The location of the patient's intestinal blockage, and not the severity of their condition is what determines the permanence of the procedure, so differences in adaptation between permanent and temporary patients are not likely due to selection effects or bias. The results thus strongly suggest that adaptation is not merely a function of continued exposure to a negative stimulus or circumstance. Rather, adaptation is very much dependent on the beliefs that a person has about the circumstance, and on the degree to which a person accepts the circumstance.

These three studies all suggest specific limitations of the effects of consumption and circumstance on people's happiness. In the final paper, Riis and colleagues consider how people view the possibility of directly improving their happiness through pharmaceuticals. In a series of studies they show that most people do indeed wish to be happier, more relaxed, and more outgoing. And they wish to be better at concentrating and at remembering information. But controlling for the desire to be better on these various traits, people are more reluctant to enhance their happiness (and other emotional and personality characteristics) than they are to enhance cognitive abilities like concentration and memory. Concerns about jeopardizing personal identity are the source of this increased reluctance. Furthermore, advertisements that frame a drug's effects as enabling happiness, rather than enhancing it, greatly diminish people's reluctance to take it.

Together the papers bring new knowledge to the very old concept of happiness. And with evidence from experiments, surveys, and field studies, they suggest very concrete implications for consumers, practitioners, managers, and policy makers interested in increasing happiness. The session will be of interest to researchers studying consumption, hedonic experience, materialism, well-being, consumer welfare, health, and pharmaceuticals.

## EXTENDED ABSTRACTS

### "Warmth, Wealth, and Wellbeing"
*Christopher Hsee, University of Chicago*

A fundamental question in happiness research is whether increasing every citizen's wealth in a given society increases the overall happiness of that society. Much research suggests that it does not (e.g., Easterlin 2003). In this project we sought to distinguish two types of outcomes: *Inherently evaluable* outcomes are those that directly influence one's visceral and biological system, such as temperature, sweetness, amount of sleep, etc. *Inherently inevaluable* outcomes are those that do not directly influence one's visceral or biological system, such as the size of a diamond, the brand of a purse. Many outcomes lie between the two; examples include the size of a home, the power of a car, the speed of a computer, etc. Our main hypothesis is that inherently evaluable variables can affect one's happiness regardless of whether one engages in social comparison (joint evaluation) or not (single evaluation), and inherently inevaluable variables can affect one's happiness only if one engages in social comparison (joint evaluation). This is tested in a lab experiment and a field study.

The lab experiment consisted of 4 groups of participants: A, B, C and D. Each participant went through 2 stages (in counterbalanced order). In stage I, each participant in each group was presented a container of water and indicated how happy they would feel if they took a shower using water of that temperature (an

evaluable variable). In stage II, each participant in each group was presented with a diamond and indicated how happy they would feel if they wore a diamond ring of that size (an inevaluable variable). Across Groups A, B, C and D, the temperatures of the water increased linearly from 15C to 45C, and the size of the diamond also increased linearly from about 0.1 karat to about 1 karat. Critically, Groups A and B were run in the same room so they could easily compare each other's water temperature and compare each other's diamond size. Likewise, Group C and D were also run in the same room. However, Groups A/B and Groups C/D were run separately. Thus, Groups A/B resembled a poor society (with smaller diamonds and colder temperatures), in which Group A were poor citizens and Group B were rich citizens. Group C/D resembled a rich society (with larger diamonds and warmer temperatures), in which Group C were poor citizens and Group D were rich citizens. The rich society and the poor society do not know each other, but citizens within each society can compare with each other.

What we predicted and found is as follows: Water has both a within-society effect and a between-society effect on happiness, namely, Group B (rich people in a poor society) were happier than Group A (poor people in a poor society), Group D (rich people in a rich society) were happier than Group C (poor people in a rich society), and on average, Groups C/D (people in a rich society) were happier than Groups A/B (people in a poor society). On the other hand, the diamond has only a within-society effect and has no between-society effect, namely, Group B (rich people in a poor society) were happier than Group A (poor people in a poor society), Group D (rich people in a rich society) were happier than Group C (poor people in a rich society), but on average, Groups C/D (people in a rich society) were not any happier than Groups A/B (people in a poor society). An implication of these findings is that whether increasing a society's wealth increases the society's happiness depends on how the wealth is spent. If it is spent on inherently evaluable variables, it may indeed increase happiness (contrary to much of previous research); if it is spent on inherently inevaluable variables, it will not.

A field study replicated the finding in the lab study. The field study involved nearly 7000 respondents across 31 largest cities in China. Among others, we asked respondents about their room temperature in their homes and their feeling about it (the survey was conducted in the winter and many homes in China do not have sufficient heating), and also asked about the estimated value of their jewelry and their feeling toward it. What we found is as follows: For temperature, the between-city effect on happiness was just as big as the within-city effect. But for jewelry value, between-city effect on happiness was much smaller than the within-city effect on happiness.

In sum, improving an inherently evaluable outcome, such as temperature, can make some individuals in a society happier than other individuals and can also make the whole society happier; improving an inherently inevaluable outcome, such as jewelry, can make some individuals in a society happier than other individuals, but cannot make the whole society happier.

### "Happiness for Sale: Do Experiential or Material Purchases Lead to More Consumer Happiness?"

*Julie Irwin, University of Texas, Austin*
*Joseph Goodman, University of Texas, Austin*
*Leonardo Nicolao, University of Texas, Austin*

Scitovsky (1976) suggested that income does not increase life satisfaction because consumers are spending their money in the wrong way. As they acquire more money, consumers often buy "joyless" material possessions such as houses and cars that do not substantially increase pleasure. More recent writers have echoed Scitovsky's sentiments. Easterlin (2003) suggests that investment in "pecuniary" market objects has no effect on life satisfaction, and Pine and Gilmore (1999) warn that consumers have become bored with the acquisition of objects. In "How Not to Buy Happiness" Frank (2004) explains, "beyond some point, across-the-board increases in spending on many types of material do not produce any lasting increment in subjective well-being." If the extant work on happiness is correct, then purchases of material goods (e.g., cars, houses, furniture) should, overall, lead to less happiness compared to purchases of experiential goods (e.g., vacations, concerts, sporting events). We call this the "experience recommendation". In this paper, we suggest that this experience recommendation may be premature, or at least too broad in scope.

In our first experiment, we tested whether material and experiential purchases are differentially affected by a purchase's outcome valence by extending the methodology used by van Boven and Gilovich (2003). In a 2x2 between subjects design, we asked respondents to recall a positive or negative purchase (outcome valence) that was either material or experiential in nature. After the recall stage, respondents indicated their happiness with the purchase across three measures and answered control questions. We find that the effect of purchase type was significantly moderated by the outcome valence of the purchase. For positive purchases, experiential purchases induced more reported happiness than did material purchases. However, if the purchase turned out negatively, experiential purchases did not lead to more happiness than material purchases. These results held above and beyond any effects of time since the purchase, the amount of the purchase, and the residual value of the purchase. A second experiment has shown that consumers can indeed distinguish between experiential and material purchases, validating our purchase type manipulation, and that they predict the same interaction found in the first experiment.

In a third experiment we asked if there segments of consumers who might glean different amounts of happiness from purchase types in our two valence conditions. We expected materialism to have a moderating effect on the valence by purchase type interaction. The underlying rationale is that, as materialism increases, the adaptation rates for material purchases (of either valence) should decrease; material purchases should resonate longer for materialistic consumers, impacting happiness more. Indeed, we find a three-way interaction between materialism, valence, and purchase type, such that the valence by purchase type interaction grows stronger as materialism decreases.

In a fourth study, we avoided concerns about possible accessibility differences between material and experiential purchases by simply asking participants to freely recall three different purchases that turned out positively (or negatively, depending on the condition) and then allowed the participant to rate each purchase on a material–experiential scale. In a hierarchical regression model, we regressed a composite happiness measure onto the three purchase classification ratings for each participant individually, and then regressed the purchase classification slopes derived from the first model onto the valence of the outcome condition, as well as the moderators. Our results support the interactions found in the previous studies. When the purchase turned out positively, more experiential purchases were associated with more happiness compared to material purchase, but when the purchase turned out negatively there was no difference. Consistent with experiment three, this was moderated by materialism.

These studies addressed the extent to which experiential purchases actually increase the happiness of consumers. Results across four studies affirm that experiential purchases have more

variance than material purchases: when they are good, they are very good; but when they are bad, they are awful. The simplest form of the "experience recommendation" is thus not supported.

### "The Dark Side of Hope: It's Harder to Adapt When the Adversity is Temporary"

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*Peter Ubel, University of Michigan*

After the onset of a negative life event, such as a disability, overall well-being typically declines, but then recovers over time (though not always fully). But relatively little is understood about the mechanism by which adaptation occurs. In addition, there is considerable individual variability in how well people adapt to challenging circumstances. We explored whether knowing that a disability may be temporary, rather than permanent, would influence adaptation. We studied colostomy patients, approximately half of whom eventually have their colostomies reversed, and normal bowel function restored. Whether someone gets a reversible colostomy depends mostly on anatomy (where the surgery was and how much intestine is lost).

Given that temporary colostomies are strongly preferred—virtually all patients who can get a colostomy reversed choose to do so, one might think that people with temporary colostomies would be happier and adapt more rapidly to their condition than those with permanent colostomies. Contrary to this prediction, however, we reasoned that, because patients with a temporary colostomy know their disability is of limited duration, this would interfere with their motivation and ability to emotionally adapt to their condition. We predicted that patients whose colostomies were permanent would adapt, increasing their subjective well-being (quality of life, life satisfaction) from the time of their surgery to the 6 month follow-up. In contrast, we predicted that the patients who expected to have their colostomies reversed would show less evidence of adaptation.

We conducted a longitudinal study of 75 new colostomy patients, recruited while still in the hospital after their surgery (82% response rate). Consenting participants were mailed written surveys at one week, 1 month, and 6 months after their surgery. About half of the patients had "reversible" colostomies; six to nine months after receiving a colostomy, they typically go back into surgery and have normal bowel function restored. The surveys focused mostly on measures of psychological well-being, and included measures of life satisfaction (1-7), and overall quality of life (0-10).

We observed strikingly different patterns between the temporary and permanent colostomy groups. In the permanent group, perceived life satisfaction and quality of life increased between the one-week and 6 month time points (p<.05). For example, scores on the 0-10 quality of life scale increased from 5.4 to 7.1 over this time period. In contrast, these variables actually decreased—though not significantly—in the temporary group (on the 0-10 scale, scores dropped form 5.5 to 5.3). A between-within subjects ANOVA confirmed a significant interaction between temporary versus permanent status and time (p<.05).

Patients who expected their colostomy to be temporary did not show evidence of adapting to their condition over the first 6 month period after their surgery. In contrast, patients who knew their new disability to be permanent showed substantial increases in well-being over time. These results are consistent with our hypothesis that knowing that a "cure" for a disability is on the horizon would interfere with adaptation.

These findings are not consistent with some models of adaptation—those that suggest that negative reactions fade with time

merely because of continued exposure to the negative stimulus. Both groups in our study had the same disability for the same period of time, yet the temporary group failed to adapt. We can speculate that this occurred because the knowledge of the pending surgical reversal would represent a salient counterfactual set of circumstances. That is, these patients would be reminded of what life is like with normal bowel function, and these reminders would make it more difficult to adapt (and perhaps reduce the motivation to try to accept the disability).

Previous studies have found that people with an optimistic outlook—those who expect their illness to improve with time—are happier than those who are less optimistic. But these results could be due to dispositional differences; people who adopt optimistic attitudes about their illness may be naturally happier and more resilient. In our study, patients do not choose to expect their colostomy to be reversed—this is determined exogenously. Our findings have implications for other health conditions, such as spinal cord injury, where patients may believe that medical science will cure their condition. Our results suggest that these beliefs could actually interfere with emotional adaptation.

### "Better Living Through Chemistry: Preferences for Pharmacological Self-Improvement"

*Jason Riis, New York University*
*Joseph Simmons, Yale University*
*Geoffrey Goodwin, Princeton University*

Advances in medical technology are providing people with increasingly powerful ways to improve themselves. These technologies are not just used to restore health and youth, as increasing numbers of healthy young people are using them as well. Many healthy young people take stimulants like Ritalin and Adderall to improve cognitive performance and anti-depressants to lift mood and reduce anxiety, even in the absence of any disorder or deficit.

The biotechnology boom has many scientists and clinicians optimistic that dramatic improvements in the effectiveness and safety of such pharmaceuticals are imminent. Such improvements will presumably lead to increased demand for these drugs among non-clinical populations. Concern about these developments has sparked considerable public debate, including the publication of a report by the President's Council on Bioethics (2003). But there is little research bearing directly on the psychology of consumer demand for such pharmaceuticals.

We suggest that people's willingness to take psychological enhancements will largely depend on beliefs about whether those enhancements will alter characteristics considered fundamental to the self. In Western cultures, the belief in a fundamental, essential self is widespread. People believe that certain core traits can explain much of a person's behavior and that these traits form a person's essential self or soul (Chen, Bourcher, and Tappis 2006; Dweck 1999; Haslam, Bastian, and Bissett 2004). Moreover, people are highly motivated to express beliefs about their fundamental selves (Vazire and Gosling 2004), and to reject information that challenges these beliefs (Swann 1987; Swann, Stein-Seroussi, and Giesler 1992). In this light, we propose that people will be especially reluctant to artificially enhance themselves in ways that are believed to alter their fundamental selves.

In three studies, we show that this is indeed the case. People are much less willing to enhance traits representing a fundamental aspect of their personal identity (including well-being traits like mood) than traits that are not seen as core to the self (e.g., ability to concentrate). This is the case even though people have strong desires to improve fundamental traits like mood. Further support for our fundamentalness hypothesis comes from a study in which

we explicitly asked people why they were reluctant to enhance each of a series of 19 traits. Concern about changing the fundamental self was the most frequently cited reason for not wanting to take a hypothetical enhancing medication. Concerns about morality or risk seem to play only a minor role in determining people's willingness to artificially enhance themselves.

We also address the implications of our findings for advertising and regulation. Direct-to-consumer (DTC) advertising of psychoactive pharmaceuticals has been controversial, with some authors suggesting that the pharmaceutical companies are actually reaching out to non-clinical populations with their advertisements (Healy, 2004). This is of particular concern in light of studies showing that non-clinical individuals can easily get prescriptions for drugs like anti-depressants (Kravitz et al., 2005). We aim to inform this debate by examining factors that influence people's responses to such advertisements.

In a fourth study, we presented participants with advertisements for a hypothetical pharmaceutical, Zeltor, which was said to affect either a high-fundamentalness trait (social comfort) or low-fundamentalness trait (ability to concentrate). The tag-line of the advertisement was also manipulated to frame the nature of the self-improvement in one of two ways. One framing emphasized that taking the drug would change people's core selves (i.e., Zeltor: Become More Than Who You Are). The other framing emphasized that taking the drug would enable people to realize their core selves (i.e., Zeltor: Become Who You Are). For high-fundamentalness traits, we found that the advertisements that used this "Become who you are" framing were more effective than advertisements that use the framing that emphasized a change to the self. Interestingly, this framing effect was not observed for low-fundamentalness traits.

This result suggests that advertisers can successfully disarm the fundamentalness concerns that would otherwise prevent non-clinical individuals from seeking an enhancement pharmaceutical. Paxil, an anti-depressant sold by Glaxo Smith Kline, has used the tagline, "Paxil gets you back to being you" on its website. This tagline can, appropriately, ease the concerns of clinically depressed and anxious individuals who are considering taking this potentially helpful medication. At the same time, our research suggests that it could also increase the inclination of non-clinical individuals to seek a prescription for self-improvement purposes. It is for regulators (as well as for industry and consumer welfare groups) to decide if anything should be done about this. It is our role as market researchers to inform their decisions by understanding the psychological mechanisms underlying consumer demand for this increasingly powerful and available product category.

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# Consumption over Time: Predictions of Future Use and Value
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## SESSION OVERVIEW

Most consumer choice research does not distinguish between options that provide single-time consumption versus a stream of consumption. Many real-life choices, ranging from durable products (furniture, appliances) to more frivolous ones (CDs, vacations) provide consumers with a stream of consumption utility that can last from a few days to a few years. In a seminal paper on the topic, Prelec and Loewenstein (1998) have shown the importance of understanding consumption as a stream of utility to better predict consumer choice and payment preferences. Conceptually, evaluation and preference for such products are influenced by expectation of use and value of the product on the multiple future consumption occasions. This raises several interesting questions that have been under-researched in the literature. If people are forward-looking when it comes to extended consumption is their choice influenced by, for example, value of time now and in the future? How do consumers approach decisions that involve long-term vs. short-term consumption (e.g., buying vs. renting)? How does the expectation of leftover unused utility affect preferences? The topics examined in this session bridge research on time consumption and emerging research in the domain of extended consumption to better understand consumer decision making.

The papers in this session study three important research questions. First, Okada examines how people value time in the present and in the future. This paper shows that consumers' predictions of use and value of time in the future are ambiguous and hence lead to larger discrepancies in WTP and WTA for future as compared to current consumption of time. Next, Bolton and Alba examine consumption of products and the effects of unused utility or waste on consumer decision making. In a series of studies the authors find that consumers are less likely to accept and are less satisfied with products if they anticipate unused utility. This forward-looking waste aversion has consequences for bundling and competition among goods and services. Finally, Pocheptsova et al. compare the consequence of different consumer decision strategies for renting vs. buying products with a flexible stream of consumption. This paper shows that long-term use of a product leads to different decision mindset as compared to a temporary use of a product. As a result consumers choose to rent a product that they would not purchase, even when the purchase price is equivalent to the rental price.

All three papers in this session include multiple empirical studies. Taken together, the papers examine how predictions about time, use (and non-use), and value over time can systematically impact consumers' preferences and choices. In addition, Drazen Prelec, an eminent researcher in the area of intertemporal choice will serve as the session's discussant and will synthesize the contributions of the papers into a cohesive framework for understanding the dynamics of consumer choice in the domain of extended consumption.

Recent trend in consumer behavior research has been shifting attention towards a more comprehensive view of consumer decision making that involves multiple choices and consumption episodes (e.g., Dhar and Simonson 1999, Khan and Dhar 2006). This session contributes to this growing body of research and is expected to attract audience interest at the conference.

## EXTENDED ABSTRACTS

### "The Value of Time in the Future and Present"
*Erica Mina Okada, University of Hawaii*

Money is more valuable in the present than in the future, but we propose that with time the relative value in the future versus the present is more ambiguous. On the one hand, based on the theories of asymmetric discounting of positive and negative outcomes (Mowen & Mowen 1991) and temporal construal theory (Liberman & Trope 1998), we propound that people are generally optimistic and expect the future to be better than the present. Therefore, people put a higher opportunity cost on their time in the future than their time now. But on the other hand, the resource slack theory (Zauberman & Lynch 2005) also suggests that people expect time to be more abundant in the future than in the present. The value of time in the future is therefore more ambiguous than time now. Time would be more valuable in the future if one considered its higher opportunity cost in the future versus the present. However, time would be more valuable in the present if one considered its relative scarcity in the present versus the future. We study the effect of this relative ambiguity of future time on two types of choice patterns.

*Buying and Selling Time in the Future versus Present.* A seller's willingness to accept (WTA) for an item is generally higher than a buyer's willingness to pay (WTP), and this WTA – WTP discrepancy can be explained in part as a manifestation of conservatism on the part of both buyers and sellers in evaluating the uncertain outcomes of a prospective exchange (Okada 2006). The true value of an item to an individual: i.e. how much s/he will actually like and use it, availability of better alternatives in the future, etc., is inherently uncertain. Therefore, buyers and sellers both face uncertainties about whether they will become better off or worse off as a result of exchange. To be conservative, buyers focus more on scenarios where they become worse off for purchasing an item that ends up being low value, and are willing to pay only a relatively low price. Sellers focus more on scenarios where they become worse off for parting with an item that would have been high value, and are willing to accept only a relatively high price. The magnitude of the WTA – WTP discrepancy should therefore become greater when there is a higher level of uncertainty about the item's value.

The WTA – WTP discrepancy has been shown in the exchange of time. For example, a homeowner may mow his own lawn instead of paying his neighbor's son $20 to do the job, though he would never mow someone else's lawn for $20 (Thaler 1980). The value of time is more ambiguous than the value of money (Okada & Hoch 2004), and we present that the value of future time is even more ambiguous than the value of time now. Therefore, the WTA – WTP discrepancy should be greater when buying and selling time in the future compared to the present.

An experimental study involving 182 participants demonstrated that people were willing to do three hours of data entry work today in exchange for $30.98 on average, but were willing to pay only $21.39 to someone else to get the same task done, replicating previous studies. When the same three hours of data entry work had to be done not today, but in one week, the WTA – WTP discrepancy further widened: people were willing to accept on average $40.02,

but were willing to pay only $19.93. Even though it would presumably be more convenient to schedule something one week in advance rather than the same day, three hours of time was valued higher in the future than the present, especially as measured as WTA. In a further study with 175 participants we ruled out alternative explanations, such as dread, for the increase in the WTA – WTP discrepancy from the present to the future. We also directly measured people's opportunity costs of future time versus present time, and the extent to which they perceived time to be more abundant/scarce in the future versus the present, to corroborate our theory.

*Expediting versus Postponing.* The value of time in the future is more ambiguous than the value of time in the present. Time in the future would be more valuable if one considered the relatively higher opportunity cost of time in the future versus the present. However, time in the present would be more valuable if one considered its relative scarcity in the present. In a study involving 175 participants, we varied the context in which participants made intertemporal choices, so that either the relative opportunity cost, or the relative abundance/scarcity of time, was made more salient.

When a prospective task is firm and binding, the trade-off between spending present time versus future time becomes more explicit, and the relative opportunity cost becomes more salient. If they must expend a given unit of time, people would rather save their time in the future, which is of the greater value, and they should expedite. In contrast, when the task is more flexible and less binding, people may be less likely to spend time now when they are busy, and prefer to postpone when they expect to have more of it in the future. After accounting for alternative explanations based on the feasibility, difficulty, or enjoyability of a given task when performed now versus in the future, our study demonstrated that people tended to expedite a given task when it was required, and postpone when the same task was optional.

### "When Less is More: Consumer Aversion to Waste"
*Lisa E. Bolton, University of Pennsylvania*
*Joseph W. Alba, University of Florida*

The present research investigates how forward-looking anticipation of waste affects consumer response. For example: consumers will pay significant amounts of money to attend concerts by new artists yet buying and listening to CDs only once is deemed wasteful; buying and reading magazines once is accepted practice whereas buying socks and wearing them once is not; for the same price, renting DVDs seems more responsible than subscribing to premium TV in order to watch three television series. Although alternative explanations likely abound, one common thread runs through each of these scenarios: waste aversion is a constraint on consumers' pursuit of utility. We contend that waste aversion—a phenomenon that is largely independent of vendor behavior—exerts a significant, seductive, but largely obscure influence on consumer decision making

Aversion to waste is a matter of common, perhaps universal, experience. "Waste not, want not" is an intuitively appealing heuristic that serves us well when resources are constrained. Yet waste aversion has been virtually ignored as a subject of scientific inquiry. The primary exception has been the work of Arkes, who first broached waste as an explanation for the sunk-cost bias (Arkes and Blumer 1985; see also Arkes 1996). According to this formulation, people persist in a losing endeavor because abandonment would imply that prior investments in the endeavor have been wasted—a nice illustration of how an otherwise sensible rule can be overgeneralized to a potentially catastrophic extent. To our knowledge, extension of Arkes's insightful observation has been rare and narrow in scope, taking place almost entirely within the context of product-replacement decisions (Cripps and Meyer 1994; Okada 2001, 2006).

Although compelling in its own right, we argue that prior research understates the biasing influence of waste aversion on consumer behavior. The present investigation departs from past research in several ways that speak to broader application. First, unlike the inherently retrospective effects of sunk costs, we argue that consumers forego future utility because they anticipate waste in their purchase, consumption, duplication, and disposal of potential purchases. Second, by not constraining the investigation to replacement, which requires only a judgment about optimal point of repurchase, we are able to investigate choice among competing options. Finally, and perhaps most important, we examine different determinants of waste, showing how alternatives that are comparable in utility can evoke very different purchase intentions.

In a series of studies, we find that consideration of waste affects consumer responses in a variety of consumption settings. We first demonstrate consumer aversion to waste when judging the behaviors of others—even when the purchase scenarios were otherwise designed to be equivalent in terms of utility and price. For example, even when both deliver equivalent enjoyment, paying to work out at a nice fitness club (where the remainder of the one-month membership will go unused) is deemed less intelligent than paying to attend a professional sporting event—because seller constraints (i.e., minimum purchase requirements) in the former case give rise to waste. These results pointed to unused utility as the fundamental driver of waste aversion. Nonetheless, study 1 demonstrates that consumers' own forward-looking purchase intentions are especially sensitive to waste aversion for goods versus services. For example, participants are more likely to purchase a service than a good, when a past purchase leads to duplication. Studies 2 and 3 further demonstrate the effects of tangibility. In study 2, we demonstrate how tangible waste affects competition among goods and services, this time operationalized in terms of buying versus renting. In study 3, we demonstrate how consumer aversion to waste drives riskier choice when tangible goods "live on" and cue waste considerations. Throughout these studies, we rule out alternative explanations and provide evidence (e.g., cognitive response data, waste ratings) that waste considerations play a mediating role.

A better understanding of the role played by waste in consumer response to product offerings is important for several reasons. Fundamentally, waste aversion is another example of the limitations of value-based pricing: consumer preference for a higher-value option is reduced when the option entails unused utility. Moreover, waste can shift preference among goods and services. For example, consumers may prefer a service over a good when the good entails unused utility—even when both offer equivalent utility. Service providers may be less vulnerable to waste aversion and therefore more able to charge a price commensurate with an offering's utility. This result provides further evidence that goods and service providers (including renters) have differential competitive (dis)advantage in the marketplace (cf. Bolton, Warlop, and Alba 2003; Bolton and Alba 2006). Finally, our discussion focuses on three areas that merit further investigation: bundling, purchase versus consumption, and waste mitigation. The lesson for marketers? Finding ways to help consumers avoid waste can provide competitive advantage in the marketplace. Less is, indeed, more—when more entails waste.

### "Consumer Decisions to Rent vs. Buy"
*Anastasiya Pocheptsova, Yale University*
*Ran Kivetz, Columbia University*
*Ravi Dhar, Yale University*

Everyday we encounter choice options that provide extended streams of consumption. In consumer product domain we choose between buying vs. renting DVD players or tuxedos, in the domain of social relationships we choose between romantic partners for immediate enjoyment vs. long-term relationship. The outcome of these decisions is usually multiply determined by various factors including differences in cost, estimation of future use (and hence potential waste), and self-control considerations (for example, in the case of flat-fee vs. pay-as-you-go services).

We propose that there is a difference in mindsets that consumers adopt when making a decision that involves short-term versus long-term consumption. Consistent with this view research on relationships shows that people use different approaches when selecting long-term versus short-term partners, being more stringent when evaluating potential long-term prospects (Stewart et al. 2000). We argue that consumers think about the rental choice and purchase choice in different ways as consumers naturally match their decision strategy to the choice situation (Tversky et al. 1988). Buying decision (extended consumption) is seen as more permanent and nonreversible and thus, encourages consumer to adopt a more critical decision mindset. Therefore products are evaluated more carefully before making a purchase. In contrast, renting (short-time consumption) is seen as temporary and reversible decision and hence acceptable decision strategy is less extensive and thorough. As a result more products pass the acceptance threshold. Although such different strategies are frequently justified by higher prices for purchase than for rental, we show that they are applied even when the options are *equally priced*. Under these conditions an over application of higher acceptance threshold to purchases (compared to rentals) potentially leads to suboptimal choices. We predict that consumers will exercise more control over their purchases than rentals. This leads to lower purchase likelihood of long-term use products as compared to a short-term rental of the same products.

In a series of studies we provide empirical evidence that consumers choose to rent a product that they would not purchase, even when the purchase price is equivalent to the rental price. Similar to duration neglect found in the domain of extended affective experiences (e.g. Fredrickson & Kahneman 1993), we show that extended consumption provided by purchase option does not increase the purchase likelihood of a product. In study 1 we examined the preference for rent and buy by looking at hypothetical decisions made by college students imagining spending a semester at another university. The respondents were shown a single product (e.g., a fridge) and were assigned to either rent/no-rent condition or a buy/no-buy condition. Consistent with our predictions, the participants were more likely to rent than to purchase the option provided even though the rental price for one semester was the same as the purchase price. The results were replicated in a second product category.

The second study extended the results by ruling out alternative explanations. One alternative explanation for the results of study 1 is perceived hassle of product disposal after a short-term use. In study 2 we use a different product (movie DVD) which is unlikely to create a similar disposal problem. Another alternative explanation posits that given the same price a purchase may be perceived as inferior to a rental option. To rule out this explanation we pretested the movie DVDs and found not difference in the perceived quality for both purchase and rental offerings. Furthermore, in this study we explore a boundary condition of our effect, a situation where a product is available for either purchase or rent for the same price (within-subjects condition). Consistent with previous literature (Ariely & Loewenstein 2000), we predict that "within-subjects condition" will increase the attention that participant pay to the duration of consumption and hence more participants would prefer purchase over rent. As predicted, we found that more people preferred to rent than to purchase in the between-subjects conditions, however, the reverse was true for within-subjects condition.

The next set of studies examined the underlying process of renting and buying decisions. In study 3 we used an optional stopping paradigm (Rapoport et al. 1972) and predicted that participants in the buying condition would be more thorough in their information search and evaluation of alternatives. Consistent with our theory, we found that while evaluating different movie DVDs sequentially, the participants in the rental condition stopped on average two movie titles earlier than did the participants in the purchase condition. This indicates a less stringent decision strategy as compared to purchase decision. To further examine higher acceptance threshold for buying we used an unavailable option paradigm (Farquhar & Pratkanis 1993). Study 4 examined whether participants were willing to accept another product (a second best alternative) when their first choice was not available. We found that when the current preferred option was not available for purchase the participants were more likely to accept the second best choice for rental, but not for purchase.

The four studies have shown that participants facing a purchase (long-term use) decision are more stringent in the evaluation process and are less likely to purchase a product. Study 5 attempts to improve the likelihood of buying by priming the "spending" concept to the participants. Since the decision to rent is relatively easy and people are less frugal with their rental decisions, priming spending would have a more pronounced effect on a decision to buy than on a decision to rent. The goal of this study was to make rental and purchase decisions more comparable in consumers' mind. In this study we used a 2 (prime: spending vs. control) x 2 (mode: rent vs. purchase) between-subjects design. We find that priming spending increased the likelihood of buying, but did not affect renting. As a result, decreasing stinginess made purchase decision more similar to rental decision.

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# Categories in Context

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## SESSION OVERVIEW

Consumer researchers have long been interested in *individuals'* spontaneous categorization of items into existing or new categories. Consequentially, categorization research in marketing has shown a strong focus on factors that are intrinsic to the consumer (e.g. expertise, risk attitude, motivation, etc.) or, if investigating situational factors, concentrated on processes inherent to the individual consumer (e.g., mood). While unveiling *differences between individuals* and their way of grouping items is instructive, this focus has also limited our understanding of other important aspects of categorization.

In particular, the effects of retailer provided categories have been largely ignored, even though contextual rather than individual differences are of particular interest to marketers. As most marketers sort their assortment into categories, externally provided categories are ubiquitous and may have important effects on consumers' decisions. As such, how the environment is structured seems to be a very important yet underresearched factor in this area. Our session bridges this gap, investigating the genesis of external categories provided in the marketplace and shedding light on how consumers are affected by different externally provided category structures.

Findings presented in this session suggest that managers' group-level interaction may lead to the creation of category schema which systematically differ from how consumers think about the grouped items. This session also suggests that consumers process information differently as a function of the categorizations and groupings they encounter in the marketplace. Finally, differences in external, marketer provided environments are shown to alter product choice and new product adoption.

The work by Hamilton, Putoni and Tavassoli investigates how teams of people develop different, more fine-grained categorization schemes when ordering options than do individual categorizers. As such, teams, representing the combined knowledge of their members, create environments that may not reflect how the average consumer thinks about the category. Subsequently, as this presentation will show, differences in categorization will affect consumers' new product adoption decisions.

Relatedly, Ülkümen, Morwitz and Chakravarti investigate how differences in the external environment can affect how narrowly individual consumers think about a category. Their work also demonstrates that external environments affect how thoroughly consumers process information and, similar to the preceding presentation, will show how such differences in processing influence new product adoption decisions.

Van Herpen, Diehl and Poynor compare two common ways in which marketers organize assortments for consumers: grouping items with either substitutes or complementary products. Like the preceding presentation, their work shows that differences in the environment can affect the extent of consumer processing and further demonstrates how differences in organization alter consumers' overall purchase experience.

The three presentations illuminate questions regarding the effects of external categories from diverse and novel angles, spanning different conceptual approaches but converging on a central theme. They investigate how external environments and particularly externally provided categorizations can affect decision pro-cesses and ultimately product choice. Taken together, this session provides new insights in the area of categorization that should be interesting to a wide range of researchers, for example, those studying context effects, new product adoption, assortment size and structure, or the effects of retail environments on consumer experience.

## EXTENDED ABSTRACTS

### "Categorization by Groups"
*Rebecca Hamilton, University of Maryland*
*Stefano Puntoni, Erasmus University*
*Nader T. Tavassoli, London Business School*

Categorization is a core psychological process (Lakoff 1987) that is central to consumer (for a recent review, see Loken 2006) and managerial decision-making (e.g., Porac and Thomas 1990). Consumers' understanding of categorization schemes helps them navigate retail environments and websites. At a more macro level, product market structure represents a social construction based on consensual categorical knowledge between consumers and producers (Rosa et al. 1999) that coordinates transactional relationships (e.g., Day, Shocker, and Srivastava 1979). Categorization shapes consumers' product evaluations (e.g., Sujan 1985), and managers rely on categorization for product development (Griffin and Hauser 1993) and product positioning decisions (Cohen and Basu 1987).

In many of the situations described above, categorization may be performed by groups of consumers or managers (e.g., a family deciding on a vacation destination or a product development team categorizing customer needs for a product) rather than by individual consumers or managers. This requires group members to integrate their potentially diverse beliefs about how constructs are related. While a substantial amount of research has been conducted to examine individuals' categorization behavior, much less is known about how groups categorize constructs. The goal of this research is to understand whether and how the outputs of group categorization processes differ from those of individual processes.

In a series of three studies comparing group and individual categorization of the same items, we find that groups and individuals systematically generate different category structures. Relative to individuals, groups with three or four members create a larger number of categories with fewer items in each category. This effect is mediated by groups' larger knowledge base and moderated by groups' ease in achieving consensus. We also show that categorizing concepts either individually or as part of a group affects the structure of individuals' memory and subsequent category membership decisions such as evaluations of brand extensions.

In our first study, sixty-one participants categorized customer needs for a new product. To compare group and individual performance, we used four measures of category breadth: the number of categories created, the average size of categories, the size of the largest category and the size of the smallest category. As predicted, groups of four members sorted the 48 customer needs into a larger number of different categories (M=10.36) than individuals (M=8.35), $F(1, 26)=6.99$, $p<.05$, resulting in a smaller average number of customer needs included in each category by groups (M=4.49) than individuals (M=5.96), $F(1, 26)=7.04$, $p<.05$. Moreover, the average size of the largest group was larger for individuals (M=12.0) than

for groups (M=8.18), F(1, 29)=11.42, p<.005, and the average size of the smallest group was directionally larger for individuals (M=2.76) than for groups (M=2.27), p>.28.

In study 2, we examined the underlying process by measuring expertise and the group members' perceived ease of reaching consensus. Working either individually or in groups of three, 211 participants categorized movies, a category in which we predicted relatively large variation in expertise. As in study 1, groups created more categories than individuals (Mg=9.32 and Mi=7.87, F(1, 108)=7.46, p<.001); created smaller categories on average (Mg=5.64 and Mi=6.56, F(1, 108)=8.69, p<.001); created a smaller largest category (Mg=11.28 and Mi=13.51, F(1, 108)=7.56, p<.001); and created a smaller smallest category (Mg=2.32 and Mi=2.67, F(1, 108)=7.13, p<.001). Moreover, providing evidence for underlying differences in group and individual categorization processes, we found that expertise mediated the effect and consensus moderated the effect. More knowledgeable participants created narrower categories than less knowledgeable participants, just as groups created narrower categories than individuals. In contrast, groups reporting greater ease in achieving consensus performed the task more like individuals, creating broader categories.

Our third study focused on the consequences of categorizing more or less integratively on memory structure and on subsequent categorization tasks such as evaluating brand extensions. One hundred forty participants completed a categorization task either individually or in groups of three. Next, participants evaluated line and brand extensions for three different brands. Because brand extensions require consumers to stretch the parent brand beyond its original product category, we predicted that groups would evaluate brand extensions less favorably than individuals. As predicted, there was no difference in the perceived fit of the line extensions across group and individual conditions (Mg=6.11 and Mi=5.96), but individuals evaluated the brand extensions (M=3.98) more favorably than groups (M=3.11), resulting in a significant extension type by social context interaction, F(1, 68)=7.01, p<.01.

The results of these studies show that whether individuals work alone or in groups systematically affects the way they categorize the same set of items. In all three studies, groups categorized less integratively than individuals, creating a larger number of narrower categories. We provide direct evidence for the mechanisms responsible for the effect of social context and provide insight into its consequences.

**"The Effect of Exposure to Narrow versus Broad Categorizations on Subsequent Decision Making"**
*Gülden Ülkümen, University of Southern California*
*Vicki Morwitz, New York University*
*Amitav Chakravarti, New York University*

In this paper we investigate the impact that externally imposed categorizations may have on choices that are made in a subsequent and unrelated decision context. We document a very simple, yet powerful effect: being exposed to a decision context with broad categorizations (e.g., movies classified as comedy or drama movies), as opposed to a decision context with narrow categorizations (e.g., movies classified as comic action, dark comedy, romantic comedy, courtroom drama, historical drama, or melodrama movies), systematically and reliably affects judgments and decisions made in a subsequent and unrelated decision task (e.g., an unrelated grouping task, or a new product adoption decision).

Through six studies, we show that this effect occurs because exposure to narrow (broad) categorizations in a decision context induces a more (less) careful and critical information processing orientation. This change in information processing style has important carryover effects on subsequent, unrelated decisions, by affecting the kind of information that people use as inputs in these decisions. In particular, it affects whether people make their decisions carefully and critically, by taking multiple factors into account, or whether they simple let the more salient cues in the environment guide their subsequent decision making. We observe these carryover effects in basic cognitive behaviors (e.g., grouping tasks, category inclusion decisions), in consumption domains (e.g., new product adoption decisions), and in general decision making strategies (e.g., susceptibility to heuristics).

Specifically, we find that people exposed to narrow categorizations become more critical and meticulous decision makers, basing their evaluations on all available information in the environment. In contrast, people exposed to broad categorizations appear to be less careful, basing their decisions on a few, highly salient dimensions. For example, we found that decision makers exposed to broad categorizations created relatively fewer categories in a grouping task (study 1a), and were more lenient in their category inclusion decisions involving a continuum of Chinese-Caucasian faces (study 1b). Likewise, their new product evaluations were also driven by attributes that were made salient by the decision context. Thus, exposure to broad categories led to relatively favorable attitudes towards new products in innovation-salient decision contexts (studies 2-5), but led to relatively unfavorable attitudes in risk-salient decision contexts (studies 4-5). In contrast, exposure to narrow categorizations, led to a more balanced consideration of both innovation and risk, irrespective of which dimension was made more salient in the decision environment (studies 2-5).

In fact, for decision makers exposed to broad categorizations, even difference perceptions were colored by the salient dimension (study 4). As new products became progressively more different from existing products in the market, each unit of increase in the perceived difference of a new product was construed either as an increase in innovation, or as an increase in risk, depending on which of these dimensions was made more salient by the decision context. For these decision makers, in innovation (risk) salient domains, differences were construed as being indicative of innovativeness (risk), and evaluations of the new product became progressively more (less) favorable as the new product was perceived to be increasingly more different from the conventional product offerings on the market. Exposure to narrow categorizations, on the other hand, led to a more balanced consideration of both innovation and risk in interpreting these difference perceptions.

More generally, we also found that decision makers exposed to broad categorizations in the first task, become more susceptible to context effects and decision heuristics in a subsequent and unrelated task (study 6). Specifically, we found that on exposure to broad categorizations in a first decision, decision makers were more likely to use the frequency heuristic, a popular consumer decision heuristic, in subsequent product evaluations and choice tasks. In contrast, exposure to narrow categorizations, led to more compensatory decisions that were invariable across contexts. Given that prior exposure to these broad-narrow categorizations (a) affected a wide variety of subsequent and unrelated tasks, (b) were unaccompanied by differential affect, mood, completion times, or feelings of task difficulty, and (c) went unreported in the funnel debriefings, it is quite likely that the carryover effects documented in this paper operate outside conscious awareness of the consumer and occur in an automatic fashion.

### "Arranged to Distraction: How Categorizing Products with Complements versus Substitutes Alters the Experience of Product Choice"

*Erica van Herpen, Wageningen University*
*Kristin Diehl, University of Southern California*
*Cait Poynor, University of South Carolina*

Websites such as www.furniture.com organize their assortment either by product type (i.e., dining tables) or by collection (i.e., full dining rooms with tables, chairs, sideboards, etc.). Likewise, clothing stores either present products in sets of substitutes or as part of entire outfits. These examples represent fundamentally different ways in which marketers organize products, in either taxonomic categories or consumption constellations. Although we know that consumers are influenced by the order and format in which alternatives are presented (Diehl, Kornish, and Lynch 2003; Drèze, Hoch, and Purk 1994), prior research has mainly focused on sets of substitutes (e.g., Bettman, Luce, and Payne 1998; Simonson 1999) or on purchases of entire product bundles (Harris and Blair 2006; Janiszewski and Cunha 2004). As a result, we know much about the influence of substitute products in an assortment, but relatively little about the influence of categorizing complementary products alongside the target item. Our research posits that external categorization in terms of consumption constellations (Englis and Solomon 1996; Lai 1994) may have both drawbacks and benefits for consumers.

Complementary products can distract consumers who plan to buy a single target product. They may complicate search, as the cluttered environment obscures rapid identification of specific target products (Bravo and Farid 2006). As such, complements may raise the effort involved in shopping simply because they compete for attention (Janiszewski 1998) and thereby increase the difficulty in remembering and comparing target products. For complements to act as distractors it is not necessary that consumers effortly search complementary products or consider them at all relevant to their purchase goals (Perruchet, Rey and Hivert 2006). We predict that the mere presence of complementary items in a display will mentally distract consumers from their target product, therefore increasing decision time and difficulty but not necessarily time spent actively processing complements.

However, organizing targets in consumption constellations may also generate positive outcomes. Compared to substitute-based organizations, consumption constellations may encourage greater visualization of product use (Dahl and Hoeffler 2004; Petrova and Cialdini 2005). Such organizations highlight how the target product can be integrated in a set of complementary products and may stimulate imagery of product use. As a result, we predict that consumers' satisfaction with the assortment as a whole should be higher when items are externally categorized with complements rather than only with substitutes.

In Experiment 1, 82 participants were randomly assigned to either a substitute or a complement organization, in a 2-group design. Stimuli were clothing brochures, with products from 8 taxonomic categories. Participants were asked to choose a shirt. In line with our predictions, participants in the complement condition experienced higher decision effort, more difficulty to grasp the selection, and more confusion than participants in the substitute condition. Still, consistent with our predictions, they thought that the assortment was more attractive.

Experiment 2 examined whether increased effort in complement organizations could be attributed to greater physical distance between target products. Does the act of flipping pages to view different consumption constellations explain this increase in effort? 92 participants were asked to select a pair of pants from an online assortment containing 8 pairs of pants. Participants were randomly assigned to one of three conditions: substitutes together (the 8 pairs of pants all displayed on 1 screen), substitutes separated (one pair of pants on each of 8 screens), or complements (8 pairs of pants displayed on 8 screens surrounded by complementary products). The computer captured time measures as well as subjective responses.

Our results suggest that the physical separation of items in complementary sets cannot explain the decision difficulty found in Experiment 1: Decision times were significantly longer in the 8-page complement than the 8-page substitute condition, where page distance was objectively equal and only the organization changed. Interestingly, differences in decision time were not driven by consumers actively examining complementary products, but rather by them spending more time looking at consumption constellations overall. As in Experiment 1, individuals shopping in complementary sets consistently took longer deciding and reported greater decision difficulty. Yet, such sets also generated greater assortment satisfaction and were seen as more inviting.

A third study investigates differences in the underlying psychological processes triggered by complement as opposed to substitute based organizations. Preliminary results suggest that complement organizations prompt consumers to engage in more extensive visualization while substitute presentations impair such thoughts.

As a whole, our research shows that in the presence of a well-defined purchasing goal, external categorizations that group complementary products alongside the target product can have both adverse and beneficial outcomes. Marketers may want to adopt such complementary sets because they seem inviting and engaging to consumers. However, they should also be aware that although consumers spend more time deciding, they do not engage in more detailed examinations of either target products or complements.

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# Is Beauty Only Screen Deep?
## Perceptions of Avatars in Computer-Mediated Environments
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Michael R. Solomon, Saint Joseph's University, USA

## SESSION OVERVIEW

Residents of the online "world" Second Life spend approximately $12 million per month (in real money) on virtual land, products and services. To date more than 40 *RL* (real life) companies including GM, Dell, Sony, IBM and Wells Fargo are staking their claim to online real estate in computer-mediated environments (CMEs) including Second Life, Entropia Universe and There.com. They hope to lure the growing flood of consumers who enter these sites in digital forms called *avatars*. These digital representations socialize with one another, take virtual university courses, participate in corporate training programs, share reactions to new products, and of course shop. Eventually, these CME forums may rival traditional, marketer-sponsored E-commerce sites in terms of their influence on consumer decision-making and product adoption. Avatars are starting to spend big.

Despite this huge potential, we know very little about the best way to talk to consumers in these online environments. How will well-established findings from the *RL* regarding the impact of source credibility upon persuasion transfer to a situation where a "source" espousing adoption of a new product takes the form of an animated supermodel with exaggerated "attributes" or a bright green demon with fearsome horns?

We will stimulate dialogue when we bring together several teams of researchers to address different aspects of person perception in CMEs. Wood and Solomon's paper explores the use of avatars as endorsers in online advertising. Keeling and McGoldrick looks at how avatar attractiveness influences ratings of friendliness, social competence, parasocial interaction, trust and intentions. Our final paper from Malter, Rosa and Garbarino investigates the effects of consumers' self-perceptions on the creation of avatars (virtual models) to evaluate representations of body-involving products (apparel) for use on their real bodies in the real world.

In his role as discussant, Michael Kamins will synthesize these research programs and relate them to RL studies that address the impact of source appearance upon message acceptance. Kamins published some of the seminal work on the matchup hypothesis and is well-qualified to draw conclusions regarding the extent to which online person perception dynamics do or not mirror those in the more familiar offline world.

## EXTENDED ABSTRACTS

### "Digital Brand Personality: Does the Matchup Hypothesis Extend to Online Environments?"
*Natalie T. Wood, Saint Joseph's University*
*Michael R. Solomon, Saint Joseph's University*

Aaker defines brand personality as "…the set of human characteristics associated with a brand" (1997, p.347). The consumer behavior literature views brand personality as an important factor to increase consumer awareness (Tan Tsu Wee 2003), preference, usage (Sirgy 1982), loyalty and trust (Aaker 1997). Furthermore, a winning personality is a critical determinant that may simplify the consumer decision-making process (Tan Tsu Wee 2003) while it fosters long-term brand equity (Aaker 1996).

How does a marketer convey this personality? This process involves the careful manipulation of marketing mix elements, particularly those communicated visually (Tan Tsu Wee 2003). Whereas numerous researchers have examined the dynamics of brand personality in offline communications platforms such as print advertisements (cf. Aitken et al 1987; Ang and Lim 2006), virtually no research informs us as to how and if these findings apply in the virtual world. Given the web's capability to generate higher levels of user interactivity and engagement than traditional advertising media, is it reasonable to assume that what works in the offline space also will work online? The scant extant research on this topic generally adopts a holistic approach; it investigates how an entire website contributes to corporate brand image (cf. Opoku, Abratt and Pitt, 2006), rather than focusing on individual visual elements. For instance, no work to date explores how (or if) well-established findings on the role of brand endorsers in traditional (real world) advertising transfer to the role of avatars in the virtual world.

From a brand management perspective, Neumeier (2003) defines an avatar as the virtual DNA of a brand; "…an icon that can move, morph or otherwise operate freely as the brand's alter ego." Despite their growing popularity, we do not know much about the persuasive dynamics of avatars (for notable exceptions see Holzwarth, Janiszewski and Neumann 2006; Wood, Solomon and Englis 2005, 2007). Indeed, companies seem to choose the avatars that will represent them on their websites rather arbitrarily. For example, Coke's digital spokesperson-an average-looking male in cartoon form, was recently changed to an average-looking female (http://www.thecoca-olacompany.com/contactus/) in photographic form, not unlike the avatar archrival Pepsi also displays on its website (http://www.pepsiusa.com/help/index.php). We find it ironic that these companies, which spend hundreds of thousands of dollars to choose and validate spokespersons for real life (RL) advertising campaigns, appear to make parallel choices rather capriciously in online formats.

In this study we examine how avatar-based advertising influences consumer perception, attitude and behavior toward the brand in online promotional contexts (n.b., to date most applications tend to use avatars merely as "props" in e-commerce applications like the Coke and Pepsi spokespeople). We devised a sequence of empirical steps to systematically investigate the differential impact of avatar types upon advertising evaluations.

We base our theoretical approach upon prior work (in offline contexts) regarding the *matchup hypothesis*. This states that the correct "matchup" between the source and the product may have a greater influence on consumer attitudes toward the product and purchase intention than the unitary dimensions of endorser likeability or product involvement (Kamins 1990; Solomon, Ashmore and Longo 1992). We began by pretesting brands in two disparate product categories to identify a set that embodies the "Big 5" attributes Aaker and others typically use (cf. Ang and Lim 2006; Tan Tsu Wee 2003) to encapsulate dimensions of brand personality. We also pretested a large set of actual avatars to identify those that embody the same personality attributes. Finally, we empiri-

cally tested the proposition that ads pairing brands and avatars with similar personalities are more effective in generating a positive attitude toward the brand and the advertised product than are ads that pair brands and avatars with mismatched personalities.

We began by verifying that source effects are as robust in the online world as in more traditional offline communications formats. A total of 113 students viewed two avatar- based advertisements for a fictitious store. Half of the respondents viewed the ads in print format and the other half viewed the same ads online. We verified that method of delivery had no significant impact on attitude towards the advertisement or intention to visit the store.

In our next step, we identified a number of well-known yet distinct brands for two popular yet divergent product categories of interest to our student subject population: 1. Cell phones-a functional product consumers tend to evaluate along objective dimensions of performance (in addition of course to some aesthetic distinctions), and 2. Jeans-an expressive product for which consumers consider the psychological implications of selection (Okazaki 2006). We identified eight brands (four per product category) for initial evaluation.

Next, we generated a list of attributes for each brand and identified a number of existing avatars to match each brand attribute. For example, if students characterized a brand as sophisticated we tried to locate one or more sophisticated looking avatars. We obtained these avatars from a variety of online sources, including avatar developer sites, commercial websites and virtual social networking environments such as noDNA, Sitepal and Second Life.

The third phase of the study involved categorizing the collection of avatars according to Aaker's 15 attributes of brand personality, factored according to the "Big 5" dimensions of sincerity, excitement, competence, sophistication and ruggedness (Aaker 1997). Through group consensus (judges included both authors and four research assistants), we identified two avatars to embody the personality attributes we desired for each of the five dimensions (i.e., 10 avatars per brand).

In the fourth step, we validated our judgments in a pretest on a sample of 40 respondents who assigned personality ratings to each of the eight brands and 20 avatars according to Aaker's (1997) "Big 5" list. Subsequently we reduced the sample brands from four to two; we selected the two most divergent brands in each product category for further examination. We based our selection on the dominant personality attribute within each product category–sophistication for cell phones and ruggedness for jeans. For jeans we selected the Wrangler and Seven For All Mankind brands and for cell phones we included the LG 400 and the LG Chocolate brands. We also reduced the number of avatars per brand to two with the avatar that exhibited a similar personality rating with the brand (jeans: ruggedness, cell phones: sophistication) and the avatar with a mismatched rating being retained.

In the final step we examine the robustness of the match-up hypothesis when applied to an online communications format. In a 2 x 2 design (Products: jeans and cell phone X Avatar: similar and mismatch) we paired these avatars separately with each brand in a series of online advertisements. Through random assignment, each respondent viewed two ads online–one cell phone/avatar pairing and one jeans/avatar pairing. Manipulation checks confirmed that respondents rated the LG Chocolate cell phone as more sophisticated than the LG 400 phone and Wrangler jeans as more rugged than Several for All Mankind jeans. In addition they rated the "sophisticated" avatar (as determined by our pre-test data) as more sophisticated and the "rugged" avatar as more rugged than the

alternates within each condition. Our dependent measures included attitude toward the brand and purchase intent for each brand/avatar pairing. Results indicate scattered support for the match-up hypothesis. However, we also note a tendency for the brands to "engulf the field" such that their *a priori* brand personalities tend to swamp the ratings. This pattern implies that the match-up hypothesis may be more robust for new brands that have yet to establish a firm brand personality. In addition, the static nature of these initial experimental stimuli may diminish the impact of the avatar spokesperson. In subsequent studies we hope to address these issues by using brand stimuli with more ambiguous offline personalities and more realistic, animated avatars. More generally, our findings are a reminder that–just as in the offline world–source characteristics are a potentially important influence on consumer behavior in online marketing environments.

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### "Relationships with a Byte? Attraction, Interaction and Intention for Avatar Use on a Retail Website"

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*"Keep up appearances; there lies the test;*
*the world will give thee credit for the rest"*
   *(Charles Churchill, 1731- 64)*

Interactions with customers are important, but Internet shopping provides little opportunity for such exchanges. For Gefen and Straub (2004), this deficit can be overcome by perceptions of social presence. A cue for social presence in computing is interactivity, especially when this supports a social role. An interactive animated 'avatar' on computer screens could provide a source of social presence and hence trust building capabilities (Holzwarth, Janiszewski, and Neumann 2006; Wood, Solomon, and Englis 2005). The outcome of such interactions may invoke the established social rules and dynamics from other interactions and so influence future behaviour. This invocation of social rules and dynamics could prove the most challenging and a trap for the unwary.

One social dynamic introduced is the influence of physical appearance and accompanying social attributions. The avatar is highly visual and so the 'physical' attributes such as attractiveness should be a subject of interest.

The stranger-attribution literature supports robust effects of attractiveness on the attributions or judgments people make of others at first impressions (Eagly et al 1991). Pervasive and strong though the effect of physical (un)attractiveness may be, there is evidence that first impressions based on appearance can and do change. Perceptions of competence and expertise can weaken or even reverse physical attractiveness effects, e.g., when a communicator is described as an expert (Till and Busler 2000).

Nevertheless, attractiveness effects can show remarkable persistence. Whilst Langlois et al (2000) advise that the mediating influence of familiarity on attractiveness effects is important, their results demonstrate that the advantages of attractiveness can persist even after initial interactions. Attractive adults are judged and treated more positively than unattractive adults, even by those who know them (Langlois et al 2000). Consistent with Eagly et al (1991) attractive adults were judged as having more social appeal and as more interpersonally competent than unattractive adults. Attractiveness affects attention, positive interaction, negative interaction and help-giving/cooperation (Langlois et al 2000).

Traditional theories view relationships as built on a number of contingencies and strategies including physical attractiveness but also characteristics of interactions. Attractiveness affects ongoing attention and positive interaction behaviours and there may be a halo effect of physical attractiveness on perceptions of friendliness and social competence. It is intuitive therefore that attractiveness is associated with the formation of relationships over time. The literature also suggests physically attractive people are more often chosen as friends (Langlois et al 2000).

In addition to attractiveness, the amount of similarity perceived increases interpersonal attraction and liking, facilitating communications and development of trust based relationships. However, relationships between perceptions of similarity and persuasiveness are thought to be heavily context dependent and thus difficult to predict.

As regards interaction with computers, perceptions of similarity of the 'social identity' of the computer by the human interactants are associated with higher ratings of attractiveness, trust and persuasion (Reeves and Nass 1996).

Recent research confirms that avatar presence may be associated with persuasiveness and building trust in e-tailing. It also confirms that the effects of appearance are moderated by performance, customer product involvement and motivation for interaction (Holzwarth et al 2006; Keeling, McGoldrick and Beatty, 2006; Luo et al 2006; Wood et al 2005). Some researchers warn that inappropriate avatar appearance and interaction presents a real danger of alienating customers (Keeling et al 2004; McBreen et al 2000). In advertising research, important considerations include the 'consistency' (Walker, Langmeyer and Langmeyer 1992; 'appropriateness' (Solomon, Ashmore and Longo 1992) and 'congruence' (Kamins 1990) between the copy and the visual component of the communication.

However, there is little information on the relationship between avatar attractiveness/appropriateness and interactions with other evaluations over a series of human-avatar interactions as might happen with repeated visits to a retail website. From the literature discussed above, there are five initial research questions for longitudinal human-avatar interactions, 1) can attractiveness effects be demonstrated in this medium; 2) are attractiveness effects strongest for ratings of friendliness and social competence as offline; 3) are these modified with the addition of other information gained during interactions; 4) can halo effects of attractiveness persist over time in this medium.

The fifth question is whether ratings of attractiveness will affect inclinations and intentions towards extended interactions and the development of some feeling of a 'relationship'. Relational schema theory suggests that people will attribute motivation, personality and emotion to the avatar as a result of interactions but human-avatar relationships are perhaps best designated as 'parasocial'. Parasocial relationships are formed when there is an illusion of face-to-face relationship and/or the viewer identifies with people or characters (Rubin and McHugh 1987). With strong echoes of 'real' relationship building, parasocial interaction is strongly related to likeability, perceived similarity, social and task attraction: the same cognitive constructs utilised in building actual social relationships are implicated in parasocial relationships (Rubin and McHugh 1987). Hoerner (1999) points out that some commercial web sites are already using representations of hosts, fictional or synthetic characters in order to draw customers into a parasocial relationship.

We argue, therefore, that the quality and depth of the relationship are reflected in the strength of the parasocial relationship. Further, since real salesperson-customer relationships have a strong basis in trust, there will be a potent connection between the strength of parasocial relationship and the level of trust. In the context of online retailing, where high trust may be needed to alleviate the elevated perceived risk felt by many customers, this twin dependence may have a strong positive relationship with purchasing intentions.

Over a series of studies, we examine the five research questions posed above. Initial exploratory research indicates that great care has to be taken in matching not only the physical characteristics of the avatar to perceptions of the brand, product or retailer but also to the goals and motivations of potential customers of a website. These findings informed a longitudinal study involving a panel of experienced online shoppers who undertook weekly interaction with an existing avatar. Amongst other tasks, respondents completed questionnaires regarding perceptions of avatar attractiveness, similarity, communication skills, intrusiveness, relationship quality and future use.

The results indicate that parasocial relationships can develop but the potentially ambiguous effect of attractiveness per se is

illustrated; a persistent advantage of attractiveness for ratings of sociability, similarity and relationship quality over time is not reflected in the influence of attractiveness on trust or usage intentions. However, some indirect effects can be observed. Further, the results indicate associations between higher attractiveness and lower ratings of two negative assessments, intrusiveness and offensiveness, and that negative evaluations of behavior are influential on decisions to discontinue use. Consequently, attractiveness may offset some of the negative aspects of avatar use. However, there is a weaker than expected relationship between ratings of attractiveness and ratings of social interaction competence.

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## "Using Virtual Models to Evaluate Real Products for Real Bodies"

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The traditional view of consumer information processing is that cognitive activity takes place in the head, i.e., the mind stores knowledge, processes and integrates new information, and evaluates options in order to make optimal choices. An alternative view that is gaining acceptance in cognitive science argues that cognition involves both the brain *and* body, working together as an integrated system to support decision making and action (Clark 1997; Damasio 1994; Edelman 1992; Johnson 1987; Thelen and Smith 1994). Thus, how the human body can interact with an object or take action is fundamental to understanding the meaning of the object or situation (Glenberg 1997; Glenberg et al. 2003).

The opportunity to physically interact with products may similarly affect consumer understanding and evaluation of these products, especially body-involving products such as apparel or sports equipment (Rosa and Malter 2003; Rosa, Garbarino, and Malter 2006). Consumers perceive greater risk in purchasing such products in body-absent environments such as telephone shopping (Cox and Rich 1964), mail-order catalogs (Spence, Engel, and Blackwell 1970), and Internet retailing (Alba et al., 1997), though individuals differ in their degree of perceived risk. For example, consumers higher in need for tactile input for product evaluation make fewer Internet purchases of clothing and flowers (Citrin et al. 2003; Peck and Childers 2003) and prefer shopping for such products in environments that allow for tactile/sensory evaluation prior to choice (McCabe and Nowlis 2003).

One possible information technology solution to the lack of opportunity to directly touch products in computer-mediated environments (CMEs) is the development of "avatars", or cyberspace characters and personas. Avatars can be created by online marketers or co-created by online shoppers and used as proxies to interact with other consumers, to be spokes models for products and services, or even to represent the online shopper and virtually "try on" and "model" products such as apparel. Avatars can vary in function (decorative or proactive), action (animated or motionless), representation (photograph/illustration of real person or imaginary character), and classification (image of the real consumer using the web site, a realistic typical customer, or an idealized image of a model or celebrity) (Wood, Solomon, and Englis 2005). Increasing attention has focused on the emerging phenomenon of consumers visiting virtual worlds such as Second Life through their avatars, where they interact with other consumers and even spend real money to purchase virtual products and services for use by their

avatars. Though such avatars may appear to take on a life of their own, they are, of course, created and directed by real human users, interact with other avatars whose behavior is similarly directed by other human users, and purchase and "consume" familiar products and brands placed in the virtual world by real-world companies seeking to influence real-world behavior. Thus, the thoughts, choices and actions of avatars may more closely reflect the abilities and limitations of the bodies and minds of real humans in the physical world than is commonly recognized. The extent to which consumers perceive online avatars as realistic and authentic representations of the real world may influence the effectiveness of avatars as spokes models for real-world brands or as virtual models for apparel that will be purchased and worn by consumers in the real world.

Our research investigates the interaction between real-world (embodied) consumer cognition and the use of online avatars (virtual models) in CMEs to model and evaluate items for purchase and use by consumers in the real physical world. Specifically, we conducted a series of studies testing how consumers' self-perceptions affect their creation, perception and use of virtual models of themselves (Ives and Piccoli 2002). In this case, an avatar is designed to represent the actual online shopper (Wood et al. 2005) and can be used to virtually "try on" clothing to aid in making online purchase decisions. It is an open empirical question whether consumers will perceive a virtual model to be similar to them, and whether their evaluation of a digital rendering of an item "tried on" the virtual model will translate into actual purchase of the physical item and satisfaction in the real world.

Study 1 tests the key assumption that consumers will input accurate personal information and not embellish their dimensions to build a more ideal or flattering (i.e., taller, thinner, more toned) but unrealistic virtual model. Each participant self-reported their height, weight, and other physical features, and completed an impression management scale, then later constructed a virtual self model. We subsequently measured the actual height and weight of each participant and photographed them for comparison to their virtual model. We found a general tendency to input accurate information and build a relatively isomorphic virtual model that many participants rated as looking very much like them. Consumers who preferred a more visual style of processing perceived the virtual model to look more like them and were more satisfied with the way their virtual model looked in the digital apparel (shirt, pants, shoes) "tried on" the model.

Study 2 tests the effect of using a personal virtual model versus evaluating pictures of the same items in an online catalog (without using a virtual model). We find that the experience of trying clothes on a virtual model made consumers more confident in their online evaluation of items, and shifted their preference for how they would like to see items displayed (on a model that looks like them, compared to an ideal image of a professional model). However, the enhanced isomorphism of the virtual model did not lead to a more positive evaluation of the items or increase purchase intent.

Study 3 tests the effect of actual physical body movement on perceived accuracy of the virtual model and online evaluation of digital products. This manipulation was intended to increase participants' awareness of their full body (head-to-toe) and body boundaries (as occurs in a fitting room at a brick-and-mortar store), compared to the disembodied state of sitting at a computer terminal moving only eyes and fingertips. As expected, physical body movement by online shoppers had the strongest effect on the evaluation of shoes (cf. shirts or pants), apparently increasing participants' awareness of more distant extremities compared to a static seated body position.

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# Erroneous Lay Theories of Future Affect: Processes and Consequences

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## SESSION OVERVIEW

Consumers' poor predictions of their future feelings pose a fundamental and important problem for consumer well being and satisfaction. Because consumers often make their decisions and choices based on their anticipation of how they will feel about future outcomes (Mellers & McGraw 2001; Wilson & Gilbert 2003; Novemsky & Ratner 2003), not only does this tendency lead to suboptimal decisions, the "gap" between predicted and experienced affect may engender dissatisfaction with product choices and consumption decisions. The research presented in this session will offer a unique look at people's lay theories regarding future affect, and process mechanisms that lead to erroneous predictions. For example, the papers in this session investigate questions such as the following: How accurate are people's affective forecasts about the impact of alternative products on actual enjoyment derived during consumption and under what circumstances will they be more accurate? Are people's lay theories helpful regarding how to manage their future enjoyment by shifting their standards? More generally, the three papers together present a comprehensive look at the nature of the processes that may drive the affective gap, and in doing so, offer meaningful insights into how the suboptimal tendencies may be corrected.

The first paper (Morewedge, Gilbert, Myerseth & Wilson) shows that affective forecasters tend overlook the extent to which they will attend to the consumption of experiences, rendering the alternatives to that experience irrelevant to their satisfaction with it. Five experiments demonstrate that the subsequent affective "gap" occurs due to shifting standard of comparison, whereby people's forecasts of product value is mistakenly based on the relative magnitude of difference between an experience and its possible alternatives, rather than on the absolute value of the alternative itself. The results suggest that forecasters evaluate experiences in comparison to the perceived desirability of alternatives, and underestimate the extent to which hedonic experiences of the focal alternative "consume" attention, rendering alternatives irrelevant.

The second paper (Cho & Johar) questions people's lay belief that future affect can be managed by lowering one's goal standards. Using financial products, the results show that the strategy of lowering goal standards backfires because one's forecast of what it would take to make an outcome satisfactory differs from what is in fact used as the benchmark upon receiving the outcome of the chosen set of financial products. Subsequently this shifting standard of comparison casts a negative influence on people's judgment of how satisfied they are with the outcome, holding objective outcome constant.

The third paper (Nelson, Meyvis & Galak) demonstrates that people are unable to predict their adaptation to positive experiences, and that they incorrectly believe that disruptions of positive experiences will be aversive, when in fact, it increases their overall enjoyment. Using television viewing as the hedonic context, authors show that consumers are not only incorrectly forecasting the magnitude of their affective responses, but incorrectly forecasting the valence of their affective responses. The robustness of disruption-induced increase in enjoyment is explored in three studies.

Taken together, the three papers examine lay beliefs of future affect and the consequence of these beliefs in diverse consumption domains of financial decision making, food consumption and TV program viewing. The session will provide an integrative look at the processes by which the inaccurate beliefs regarding future affective responses imparts a negative influence on people's evaluation of their experiences and decision outcomes. What emerges is a dynamic view of how affective forecasting operates, and with it, ways in which consumers may be better informed towards optimizing their satisfaction and well-being. The session as a whole should be of interest to a diverse set of ACR audiences: those interested in anticipated emotions, lay theories, inter-temporal choice, and comparison processes. Furthermore, Rebecca Ratner, the discussant of this session is a leading expert in the area of hedonic forecasting in consumer research, and will provide a cohesive perspective to tie together the three presentations.

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## EXTENDED ABSTRACTS

### "Consuming Experiences Shift Standards through Attentional Collapse"

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Judgments are by nature comparative. When people judge the loudness of a tone, the heaviness of a solid, or the brightness of a light, they compare their experience of the stimulus with a standard (Helson, 1964). That standard may be a prior experience ("This mug is heavier than the one I just lifted"), a concurrent experience ("This star isn't as bright as that one"), or even a future experience ("This passage is softer than the one we're about to hear"). In many cases, the standard influences people's judgments of the stimulus by creating a contrast effect, which is why a dog looks larger when standing next to a mouse than it does when standing next to an elephant (Mussweiler, 2003). Although objective measurement can solve the problem of shifting standards for judgments of brightness, loudness, and heaviness, it cannot do the same for judgments of value. Luminosity, volume, and weight are stable properties of a stimulus that only appear to vary across time, context, and persons, but value is an unstable property that actually does vary on these dimensions. Two people may value a vacation differently, the same person may value a vacation more than she did last week, and there is no principled reason why a person should value the vacation as much as another person, or as much as she once did.

Why are shifting standards a problem for judgments of value? There is a principled reason why one should value a vacation as much when one imagines it as when one experiences it. If one values

a vacation more when one imagines it than when one experiences it, one may pay too much for it, miss the opportunity to spend one's money on something that brings greater pleasure, and end up feeling disappointed. Making good decisions requires making accurate predictions about the value of future experiences, but a burgeoning literature on affective forecasting suggests that people don't do this particularly well (for reviews see Gilbert, Driver-Linn, & Wilson, 2002; Loewenstein & Schkade, 1999; Wilson & Gilbert, 2003).

We believe that the problem of shifting standards is responsible for many affective forecasting errors. Specifically, we suggest that people tend to compare experiences to a wider range of standards when they imagine them than when they have them, and thus their actual and predicted valuations of those experiences naturally diverge (Hsee & Zhang, 2004). When predicting the hedonic benefits of future experiences, we propose that forecasters over-attend to absolute differences between experiences and their possible alternatives, and under-attend to how easily experiences and their alternatives can be compared. Why does the ease of comparison matter? Participatory experiences consume attention and may make comparison to alternative possible experiences difficult. When one is on vacation, eating cookies, or cheering on one's favorite team, one may have few cognitive resources available to compare the experience one is having to what one could have done instead. In other words, participatory experiences may constrict one's attention and focus it on the here and now rather than on what might have been.

In five experiments, participants forecasted how much they would enjoy a future experience (e.g., eating potato chips) or had that hedonic experience. Hedonic forecasts were strongly affected by the presence of a superior alternative (e.g., chocolate) or an inferior alternative (e.g., sardines), but hedonic experiences were unaffected in three experiments—experiencers were happy eating potato chips irrespective of their possible alternative. In our fourth experiment, forecasters predicted that their enjoyment of chips would be affected by dissimilar alternatives considered to be vastly superior or inferior, but unaffected by similar alternatives that were slightly superior or inferior. Conversely, experiencers' enjoyment of chips was not affected by vastly superior or inferior dissimilar alternatives (i.e., chocolate or sardines), but was affected by slightly superior and inferior similar alternatives (i.e., better and worse potato chips). In other words, hedonic experiences were affected by present alternatives only when hedonic experiences required few attentional resources.

To test whether the prior effects were caused by the constriction of attention that consummatory induce, experiment 5 tested whether experiencers with surplus attention would compare an experience to dissimilar alternatives. Thus, we instructed forecasters to imagine eating and experiencers to eat one chip every 15 or 45 seconds instead of either chocolate or sardines. We reasoned that experiencers who ate slowly would have more attention to pay to alternative experiences and would thus make comparisons similar to those made by forecasters. After consuming five chips, participants indicated how much they would enjoy or did enjoy the chips. Forecasters predicted that their enjoyment of the chips would be affected by the alternative superior or inferior food, irrespective of the pace of consumption. Whereas experiencers' reports were unaffected by the alternative superior or inferior food in the fast pace (15s) condition, experiencers' reports were affected by the alternative superior or inferior foods in the slow pace (45s) condition. Together, the results of the five experiments suggest that forecasters evaluate experiences in comparison to the perceived desirability of alternatives, and underestimate the extent to which hedonic experiences "consume" attention and render alternatives irrelevant.

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### "Low-balling on Goals to Regulate Future Affect: A Functional Strategy?"

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People often set low goals in order to avoid future disappointment. Whether it is how well one performs on an exam, how wonderfully the blind date will go next week, or how relaxing the spa vacation will be, people lower their goal standards downward as uncertainty and the possibility of disappointment looms near (Kopalle & Lehmann 2001; Monga & Houston 2006). While there is ample evidence of people resorting to such "low-balling" strategy in psychology (add cites for defensive pessimism) and consumer behavior literature, no research has examined whether or not such a strategy functions as assumed.

Specifically, we question whether the strategy functions in the manner that people think it will. The assumption is that when goal standards are lowered, doing so will lower the potential for disappointment with an unknown outcome, holding outcome constant. For this strategy to work, however, the lowered standard needs to be used as the point of comparison to evaluate the outcome. If consumers spontaneously recruit their goal standards and compare the outcome to this standard, they are likely to experience positive affect and be satisfied. However, if consumers recruit a different standard of comparison than the initial goal standard, then the outcome relative to that standard will drive their affect. Various streams of literature in social psychology including social comparison theory (e.g. Tesser et al. 1988) and well-being (Diener 1984), as well as the gap model of satisfaction (e.g., Oliver 1980; Parasuraman et al. 1985) have suggested that comparing one's outcome to a higher standard has a negative impact on one's evaluation of the outcome. Hence, if the potential performance, rather than the goal standard is recruited at the time of outcome, affect and satisfaction are likely to suffer when the goal standards are low relative to the potential.

We argue that consumers are likely to spontaneously compare their performance to the potential—or "what could have been"—rather than the goal that they set themselves. Such upward comparison is especially likely when the potential range, rather than the

goal, is salient at the time of outcome feedback. Four studies mimicking real decisions made in the financial decision making domain provide support for the hypothesis that low-balling on goals has an adverse impact on satisfaction and affect, even when goals are met. This is due to a spontaneously evoked comparison standard that is higher than one's initially lowered goal standard. Participants in all experiments set a financial return goal based on a range of possible performances and then perform a stock portfolio construction task. They then receive feedback about their ostensible performance that is matched to their goal level (Studies 1, 2, and 3). Our interest lay in reported affect and satisfaction after feedback.

In Study 1 we indeed find that "low-balling" goals negatively affects satisfaction even when this goal is met, and that this is because the default comparison of performance is not to one's initially set goal, but to the potential. We vary the information that is salient at performance feedback (performance only, performance plus goal, performance plus potential) and find that those who low-balled their goals report lower satisfaction and higher disappointment with their outcome than those who set high goals for the "performance-only" and "performance plus potential" condition, whereas this difference was not found when goal was provided alongside performance.

In Studies 2 and 3 we replicate the negative impact of low-balling on satisfaction controlling for the objective level of outcome. Using simulated online trading task, we induce low (vs. high) goal setting by priming motivational orientation (Study 2) or individual's concern with managing future affect (Study 3), while shifting the range that is provided such that those who pick their target return perceive it as either high (choose 6 or 11%; range of 2-15%) or low (e.g. choose 11 or 16%: range of 7-20%) given the range that is provided. Again, the low goal setters reported significantly lower satisfaction than high goal setters, holding objective performance constant. We also rule out counterfactual thoughts as a competing process which may drive the negative impact of low-balling on satisfaction, while varying the level of confidence in future performance and salience of performance range to further buttress our proposed process.

While Studies 1, 2, and 3 test the functionality of the low-balling strategy using confirmed goals, Study 4 uses disconfirmed goals to test whether people belief about the "safe and confirmed" goal choice ensuring against disappointment is a accurate. Contrary to people's belief, results show that those who low-balled their goals and met this goal were significantly less satisfied even when compared those who set their goals high but fell short of this goal, despite the former having objectively superior outcome.

Taken together, the four studies paint a compelling picture regarding the unanticipated pitfalls of people's beliefs that they can increase satisfaction and safeguard against disappointment by "managing [their] expectation." This research ties in with the recent work on affective forecasting which suggests that people are poor predictors of their future affective states. Our findings add to this literature by showing that people not only mispredict future affective states but also mis-manage them. For consumers who base their consumption decisions and choices on this belief, the mispredictions of their future affect and their belief that they can manage this future affect incurs a double cost on their satisfaction with their consumption decisions and choices.

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## "Mispredicting Adaptation and the Consequences of Unwanted Disruptions: When Advertisements Improve Television"

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People like watching television but they dislike watching television advertisements. Given that television viewing is one of the most popular leisure activities, it would seem to be a reasonable assumption that consumers have the knowledge and experience to accurately gauge which factors maximize their enjoyment. On the other hand, the decision to remove commercials requires consumers to accurately forecast the hedonic consequences of that decision, and this type of forecasting falls in the domain of a particularly common human incompetence. As we detail below, despite a universal belief to the opposite, television advertisements can actually improve the experience of watching television.

Why do people believe that advertisements worsen the television viewing experience? One possibly is that consumers cannot forecast adaptation to hedonic stimuli. Indeed, people tend to believe that they will not adapt to new stimuli (Loewenstein & Frederick, 1997), that other people cannot adapt to changes in life circumstances (Schkade & Liersch, 2006), and occasionally, that some stimuli may actually lead to sensitization (Nelson & Meyvis, 2007). Furthermore, with positive stimuli, consumers may simply prefer to take in the experience continuously rather than mitigating the positivity with disruption.

Despite this consensus, consumers may be incorrect. When experiences are meaningfully disrupted consumers take longer to adapt (Lyubomirsky, Sheldon, & Schkade, 2005), and disruptions can intensify hedonic experiences (Nelson & Meyvis, 2007). If consumers adapt to television programs, it may be the case that a disruptive advertisement may mitigate adaptation and increase enjoyment of the subsequent programming.

In four studies we examine the effect of advertisement disruptions on the enjoyment of television. Across the studies, Experiencers reported their enjoyment of either a continuous or a disrupted program, whereas Forecasters were asked to predict the results of those two conditions.

In Study 1 we recruited participants to watch an episode of Taxi and report their enjoyment of the program. Approximately half of the Experiencers watched the program as it was aired

whereas the remainder watched the same program with the advertisements edited out. Forecasters either read a description of the former condition or a description of the latter. Although Forecasters thought that people would like the show less when it was disrupted, Experiencers enjoyed the program more when it was disrupted than when it was not. Furthermore, in an effort to eliminate the possibility of contrast effects (and test the robustness of our finding), we replicated these results when we interrupted a different program with an advertisement that was judged to be as enjoyable as the program itself (Study 2).

It may be the case that the mere presence of television advertisements, rather than their disruptiveness, improves judgments of television programs. We tested this possibility using a brief documentary about ducks (Study 3). For some participants, the documentary was presented continuously, with an advertisement both directly preceding it and directly following it. For the remaining participants, the advertisements were inserted in the program itself, disrupting it at two different points. As predicted, consumers who watched the disrupted documentary judged it more positively and were more likely to donate money to a nature-related charity than were participants who watched the continuous documentary. A different group of Forecasters expected exactly the opposite result.

Our final investigation wanted to show that any disruption could have a positive effect, and that advertisements need not be the disruption (Study 4). Participants watched and evaluated two documentaries, one about the American Bison and one about deserts of the world. For some participants these were each shown continuously, one after the other. For the remaining participants the clips were spliced together such that one interrupted the other. Forecasters predicted that the two versions would be about equally enjoyable, but in fact Experiencers enjoyed the spliced version more than the continuous version.

Across these studies we illustrate circumstances in which consumers are not only incorrectly forecasting the magnitude of affective stimuli; they are incorrectly forecasting the valence. Disrupting a television program seems bad on so many levels (e.g., adding a negative event, subtracting from the gestalt of the experience, etc.), that there is a near consensus that disruptions will have a negative consequence. This faulty assumption leads consumers to spend time and money (e.g., buying DVD's, subscribing to premium cable channels) to structure experiences that may actually lessen enjoyment.

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SYMPOSIA SUMMARY
# Consumer Motivation: Identifying Factors that Increase Goal Adherence
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## SESSION OVERVIEW

How can marketers, managers and other social agents motivate people to adhere to their long-term goals? According to goal research, the process of goal pursuit involves setting a goal, which then motivates the exercise of self-control toward selection of congruent actions and overcoming obstacles (e.g., Carver & Scheier 1998; Mischel 1984). This session will contribute to goal literature by identifying some important factors that determine the strength of a person's motivation toward goal pursuit. All three papers explore distinct motivators (goal commitment and lack of progress, high-versus low-construal level, and consumers' lay theories on self-control) that influence the likelihood of adhering to a long-term goal.

In the first paper, Koo and Fishbach identify two factors that increase motivation: goal commitment and lack of goal progress. They find that the focus on accomplished actions increases goal adherence by signaling goal commitment, whereas the focus on unaccomplished actions increases goal adherence by signaling lack of progress. Specifically, they show that emphasizing accomplished actions increases motivation when commitment is low and uncertain (thus when commitment is under consideration), for example it increases motivation to study for a relatively unimportant exam, and to make first-time contributions to a charity. Emphasizing unaccomplished actions increases motivation when commitment is high and certain and a person is concerned with the level of goal progress, for example it increases motivation to study for an important exam, and to make repeated contributions to a charity.

In a second paper, Fujita argues that how an event is mentally represented by consumers influences the motivation to adhere to a long-term goal. Abstract (high-level) vs. concrete (low-level) construals of events enhances the adoption of various self-control strategies and increase the likelihood of pursuing long-terms goals. For example, high-level construals promote a tendency to pre-commit one's future choices, self-punishment for failure to achieve goals and more negative evaluations of temptations.

In the third paper, Mukhopadhyay and Yeung identify consumers' lay theories of self-control as a motivator to increase goal-consistent choices of products for young children. The authors argue that people who believe that self-control is a limited resource that can be increased over time (i.e., limited-malleable theorists) are more interested in products that pursue long term goals. Across four experiments, they demonstrate that those limited-malleable theorists choose more goal-congruent products for their children: taking their children less frequently to fast food restaurants, allowing them fewer unhealthy snacks, and preferring educational to entertaining television programs for them.

Taken together, the three papers provide an overview of factors that increase consumer motivation and have theoretical as well as practical implications for goal research. Data collection in all papers is complete and the session includes a total of 11 studies. All participants have agreed to present should the session be accepted. Each presentation will be for 20 minutes, which will allow 15 minutes for discussion by Michel Pham (the discussion leader) and Q&A at the end of the session.

We expect that this session will be of interest to a broad audience of consumer researchers but of special interest to those researchers interested in issues regarding goals, self-control and motivation. The area of goals is one that has generated considerable interest over the past several years, and we hope that our presentation of recent findings on factors that facilitate goal adherence will result in active debate and generate ideas for future research.

## EXTENDED ABSTRACTS

### "Dynamics of Self-Regulation: How (Un)accomplished Goal Actions Affect Motivation"

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People often encourage themselves to work on a goal by considering either their accomplished or their unaccomplished actions. For example, students increase their motivation to study by assessing the amount of time and effort they have already invested on an academic task or by assessing the amount of time and effort required to complete the academic task. Similarly, athletes maintain their motivation to complete a long race by considering either the completed or the remaining distance to the finish line. In addition, social agents, organizations, and educators provide information about accomplished and unaccomplished actions to motivate others to act on a social goal. For example, fundraisers present information about the amount of donations they have received thus far (i.e., seed money) or the amount that is missing to complete a charity campaign goal. Whereas emphasizing accomplished and unaccomplished actions is common, the current research examines when accomplished and unaccomplished actions exert greater effect on motivation. For example, when does information about the amount of money donated thus far versus the amount required to complete a campaign goal increase the likelihood of making a pledge?

We identify two factors that affect motivation: commitment and lack of progress (i.e., discrepancy). We propose that accomplished actions increase motivation by signaling goal commitment (Bem 1972), whereas unaccomplished actions increase motivation by signaling lack of goal progress, which promotes actions that reduce the discrepancy to goal attainment (e.g., Bandura 1991, Carver and Scheier 1981; 1990; Higgins 1987; Locke and Latham, 1990). It follows that accomplished actions motivate congruent choices when goal commitment is ambiguous and relatively low thus when goal commitment is under consideration, whereas unaccomplished actions motivate congruent choices when goal commitment is high and constant thus when the pace of progress on the goal is under consideration. For example, uncommitted students would express greater motivation to study if they considered their accomplished (vs. unaccomplished) academic courses, whereas committed students would express greater motivation to study if they considered their unaccomplished (vs. accomplished) academic courses. We further assume that the focus on accomplished versus unaccomplished actions has similar effects on the pursuit of personal goals (e.g., studying) and contributing to social goals (e.g., charity donations).

Our results across four studies support these hypotheses. By keeping the amount of actual goal progress constant (approximately 50%), we find that the focus on accomplished actions (50% to date) increases the motivation to work on a goal when commitment is

low, but the focus on unaccomplished actions (50% to go) increases the motivation to work on a goal when commitment is high. Specifically, in Study 1, the focus on completed (vs. uncompleted) coursework increased the motivation to study for an elective course but decreased the motivation to study for a core course. In Study 2, the focus on accumulating (vs. remaining) stamps on a frequent-buyer card increased the motivation to use the card toward luxury rewards (e.g., sweatshirts) but decreased the motivation to use the card toward necessity rewards (e.g., textbooks). In Study 3, providing information about the proportion of students who already own (vs. do not yet own) University of Chicago merchandise increased the motivation to purchase these items when the purchase was framed as fulfilling a desire, but it decreased the motivation when the purchase was framed as fulfilling a need. Finally, in Study 4, a field experiment involving an actual fundraising showed that framing seed money in terms of accumulating progress (vs. remaining progress to complete a campaign goal) increased first-time donations but decreased repeated donations by regular donors.

We found further evidence for the underlying inferences that motivate people to act on a goal—namely, either because their commitment is high or because their progress is low. Thus, only uncommitted (but not committed) participants inferred goal commitment on the basis of accomplished actions and therefore were more likely to adhere to the goal (Study 1). In addition, only committed (but not uncommitted) participants expected more goal progress when the focus was on unaccomplished (vs. accomplished) actions, which in turn increased their motivation to adhere to the goal (Study 2). It appears that whether people infer commitment or progress depends on the available information as well as the question they ask (Trope and Liberman 1996), which can refer to their levels of commitment (for uncommitted people) or progress (for committed people).

Taken together, these studies provide convergent evidence that the focus on accomplished actions increases goal adherence by signaling goal commitment when commitment is low and uncertain, whereas the focus on unaccomplished actions increase goal adherence by signaling lack of progress when commitment is high and certain and a person is concerned with the level of goal progress.

### "Mental Construals and the Use of Counter-Active Self-Control Strategies"

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People often fail to do what they want to do, despite possessing the knowledge, opportunity, and skills required. Such self-control failures are pervasive and the focus of a multi-disciplinary research effort. Most models of self-control posit conflicts between automatic versus controlled psychological processes (e.g. Baumeister & Heatherton, 1992), long-term versus short-term motives (e.g. Ainslie & Haslam, 1992; Frederick et al., 2002), or impulsive affect versus rational cognition (e.g. Loewenstein, 1996; Metcalfe & Mischel, 1999).

Recently, Fujita and colleagues (2006) proposed an alternate analysis of self-control based on the tenets of construal level theory (Liberman et al., 2007; Trope & Liberman, 2003). This model posits that people can mentally represent events at multiple levels. High-level construals are mental representations that extract from a class of events those abstract, global, and primary features that are common to and defining of all cases. Low-level construals, in contrast, specify the concrete, local, and secondary features that render one case unique from others. Extensive research has demonstrated the distinction between high- vs. low-level construals and their impact on preferences, decisions, and actions (see Liberman et al., 2007; Trope & Liberman, 2003, for reviews). A construal

level analysis of self-control suggests that self-control conflicts arise when the action implications of high- and low-level construals are in direct opposition. Self-control entails making decisions and acting in accordance with high- vs. low-level construals. The activation of high-level construals should therefore promote self-control. Indeed, research findings have indicated that that high-level construals reduce preferences for immediate over delayed outcomes, promote physical endurance, and strengthen behavioral intentions to engage in activities requiring self-control (Fujita et al., 2006). That is, self-control is promoted when people see the proverbial "forest beyond the trees."

Choosing a behavioral option that reflects greater self-control is only one aspect of the self-control process. People actively shape their social environments, re-structuring decisions to enhance the likelihood of self-control success. People often engage in various strategies pro-actively in anticipation of future self-control conflicts (see Trope & Fishbach, 2005, for review). These strategies are referred to as counteractive self-control strategies, and take numerous forms, such as self-imposing penalties for self-control failures, making rewards contingent on self-control success, and pre-committing one's self to a choice prior to the decision-making opportunity (e.g. Ainslie, 1975; Ariely & Wertenbroch, 2002; Gollwitzer, 1990; Trope & Fishbach, 2000). The initiation of any of these strategies, however, requires one to recognize that there are competing concerns, and that one concern is more primary and central than the other. As such, the utilization of counter-active self-control strategies should be enhanced by the activation of high-level construals.

Study 1 examined pre-committing of one's future choices as a function of construal. Research has indicated that when people pre-commit future choices, they are more likely to make choices that are consistent with greater self-control (Read, Loewenstein, & Kalayaram, 1999). Participants generated superordinate (high-level) ends achieved by vs. subordinate (low-level) means to achieve good physical health (Freitas et al., 2004; Fujita et al., 2006). They were then told of an opportunity to participate in a future study that required attending multiple experimental sessions. They were also told that they would be provided with a snack at each session. After viewing the snack options, which included healthy and unhealthy choices, participants were asked to indicate whether they would prefer to pre-commit to all of their snack choices in advance, or decide on a session-by-session basis. As predicted, those induced to construe events at high-level construals had preferred to pre-commit their future choices. Importantly, as predicted, this effect of construals was specific to those for whom the choice between healthy vs. healthy represented a meaningful self-control conflict–i.e., those who on a follow-up measure indicated that health goals were valuable and important to them. This specific pattern of results suggests that the results indeed are attributable to strategic, goal-directed adoption of pre-commitment as a function of construals.

Research by Trope & Fishbach (2000) suggests that people strategically self-impose punishments for failures in anticipation of future self-control conflicts. Study 2 examined whether high- vs. low-level construals would promote this tendency. Participants engaged in a task entailing superordinate (high-level) vs. subordinate (low-level) categorization of objects (Lin, Murphy, & Schoben, 1997). They were then told about an opportunity to participate in a future study that would provide diagnostic personality feedback but would require waking up at 2 a.m. in the morning. Participants were asked to indicate how much they would be willing to pay as a cancellation fee if they failed to appear at the appointed hour. As predicted, those induced to high-level construals imposed higher

penalties for self-control failures. As with Study 1, this effect was specific to those for whom the study opportunity represented a meaningful self-control conflict- i.e., those who on a follow-up measure indicated that they thought the feedback would be valuable and important.

Whereas Studies 1 and 2 examined changes to the external features of future choices, Study 3 examined strategies designed to change the subjective perception of future choices. Research has suggested that people prospectively de-value future temptations to promote self-control (Trope & Fishbach, 2005). Study 3 examined whether high-level construals would promote the use of this strategy. To manipulate construal levels, participants either generated category labels (high-level construals) or exemplars (low-level construals) for a series of common objects (Fujita et al., 2006). Participants, who were all students, were then asked to evaluate a list of words, some of which were temptations that undermine the goal to study. More negative evaluations of these temptation words would represent counter-active self-control. As expected, high levels of construal led to less positive evaluations of temptations (with no differences between levels on non-temptation words). Moreover, as in Studies 2 & 3, the effect was limited to those who experienced those temptations as meaningful self-control conflicts, i.e. those who reported study goals as important and valuable. Taken all together, these three studies indicate that high-level construals promote strategic re-structuring of both external and psychological features of future decisions.

### "Building Character: Effects of Lay Theories of Self-Control on the Selection of Products for Children"

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### Overview

The process of consumerization of young children is a relatively recent phenomenon, yet it is ubiquitous today. Given the extent of attention that marketers pay to young children, what role do parents and other concerned adults play in the interactions between marketers and children? Parents could act as strict gatekeepers regulating all consumption; alternately, they could follow a laissez-faire policy if that were more in line with their beliefs. Advocates have recommended that parents regulate television, restrict junk food intake, and control consumption choices in general so that children do not develop unhealthy habits. However, such recommendations recognize that parents need to "walk the talk", e.g., by watching less television themselves if that is what they seek to regulate. Indeed, family influences on the socialization of children as consumers may permeate more through processes of "subtle social interaction" than purposive educational efforts by parents (John 1999). People transfer values through products (McCracken 1986) and the product choices that parents make for their children are critical in fostering beliefs and values.

This research explores an under-researched mechanism via which the beliefs that adults hold influence the choices they make for young children. Specifically, we investigate how people's lay theories of self-control—their beliefs about the nature of self-control in general— influence their choices. Across four experiments, conducted in the laboratory and with parents intercepted in the field, we find that individuals who believe that reserves of self-control are limited yet augmentable are more likely to try and "teach" children to increase their self-control: by giving gifts that delay gratification or round out perceived shortcomings in character, by restricting the allowance of unhealthy foods, and by preferring educational to entertaining television programs for them.

### Theory

Lay theories, or "what ordinary men and women believe about the existence and power of individual differences in personality" have been shown to affect judgments and behavior in several domains (Ross and Nisbett 1991). Mukhopadhyay and Johar (2005) identified lay theories of self-control that varied on two orthogonal dimensions–(1) limited/unlimited, or the extent to which people believe that people in general have small vs. large stores of self-control; and (2) fixed/malleable, or the extent to which they believe these stores may be augmented over time. These lay theories are relevant in the current context because differences in beliefs about the nature of self-control may prompt differing inclinations towards trying to build a child's character. For instance, a limited-malleable theorist, namely, someone who believes that people have small reserves of self-control that may be increased over time, is likely to recognize that the amount of self-control available may not be enough to accommodate all demands, so there is a need to increase the reserves of self-control. This belief, together with the belief that self-control reserves can actually be increased, may motivate them to carry out actions that help improve self-control capability. By the same token, this person would also believe that it is worth trying to teach children to increase their self-control.

In contrast, unlimited-malleable theorists believe that people in general have very large reserves of self-control. In this worldview, people generally do not have problems of self-control, and therefore are unlikely to initiate practices that facilitate children's learning of self-control. An additional consideration arises when they are faced with options that can deliver instant gratification. To the extent that value is discounted with temporal distance, unlimited-malleable theorists may prefer products that deliver instant gratification rather than those that build self-control by delivering long-term value. Such products, that deliver instant rather than delayed gratification, are known as "relative vices" (Wertenbroch 1998), e.g., tasty but unhealthy foods, and entertainment programs such as cartoons.

Finally, fixed theorists believe that reserves of self-control can not be increased over time. Hence, in their worldview, the question of teaching children to increase their self-control should be irrelevant. Therefore, regardless of whether they hold a limited or unlimited theory, fixed theorists should be indifferent between virtues and vices when deciding for young children.

### Findings

These propositions were supported across four experiments. Experiment 1 found that parents' lay theories influenced their choices of food products—such as snacks and fast food—that are related to children's self-control. Parents who were limited-malleable theorists executed tighter control over their children's consumption of fast food and were less likely to appease them with unhealthy snacks, as compared with unlimited-malleable parents. As for fixed theorists, the frequency of visiting fast food restaurants and the likelihood of providing quickie snacks did not differ as a function of whether they believed that self-control is limited or unlimited.

Experiments 2 and 3 then showed that lay theories also influence people's tendencies to gift children products that develop self-control and build character. In experiment 2, limited-malleable (vs. unlimited-malleable) theorists were more likely to choose a gift that delivers greater long-term than short-term value. Fixed theorists did not differ in their choices of products that varied on this dimension. In experiment 3, limited-malleable theorists were more likely to choose a gift that can develop the child in a manner that is complementary to the child's current character. That is, they

preferred to gift an educational game to a child described as cheerful and happy, but an entertainment game to a child described as bright and intelligent.

Finally, experiment 4 demonstrated the same pattern of effects in parents' choices of television programs, and reversed the effect using a simple salience manipulation (cf. Mukhopadhyay and Johar 2005) that changed parents' expectancies about their children's self-control.

The convergent patterns observed across experiments, across the domains of gift-giving, television program preferences, and eating allowances, and in the lab with student participants as well as outside with real parents, provide strong support for our basic hypothesis. Other psychological and demographic variables did not explain these patterns systematically, and controlling for these factors did not affect the basic pattern of results. These results show that the actions of parents and other elders may implicitly influence how children develop, driven purely by beliefs such as lay theories that the adult holds, independent of any explicit motives.

# Sex and Consumption: Empirical and Theoretical Advances

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## SESSION OVERVIEW

A Google search of the phase "sex sells" yields over two million hits. This pedestrian wisdom is an often-repeated quip when people are confronted by a particularly shocking or gratuitous use of sexual stimuli in advertising. As researchers we know that this simple causal relationship, though appealing in its parsimony, is undoubtedly a gross oversimplification of a much more complex series of inter-related behavioral variables. The objective of the session is to advance consumer behavior theory on this under-researched topic: the influence of sexual motivations and stimuli on consumption. In three presentations (each of which is based on completed papers), we provide experimental data that represent unique, substantive and theoretical contributions to the consumer behavior literature and elucidate some of the complex relationships at work when sex and consumption activities collide. All three papers address the theme of this year's ACR of bridging different theoretical paradigms by incorporating aspects of economic, biological and social role theories to study consumer cognition and choice.

The first presentation (Vohs, Finkenauer and Burger) employs a social exchange perspective to further explore sex as a commodity traded between men and women, focusing on the sellers (typically women) and what kinds of resources they are willing to exchange for sex. The second presentation focuses on the buyers (typically men) and outlines conditions under which some of those men are motivated to engage in distinct consumption behaviors (i.e., conspicuous consumption) when primed with mating stimuli (Sundie, Griskevicius, Kenrick, and Tybur). The third presentation explores the effectiveness of marketing strategies that employ sexual stimuli (i.e., in advertisements); and demonstrates that the effectiveness of sexual images in advertising is moderated by both gender and personality differences (Sengupta and Dahl). Finally, the discussant, Gerald Gorn, will integrate the findings of the three papers and provide his own insights on the area. This special session is expected to be of interest to a wide variety of consumer behavior researchers; specifically those individuals interested in human sexuality, gender differences, conspicuous consumption, advertising response, and social exchange. Each of the papers included in this session are complete.

## EXTENDED ABSTRACT

### "Sexual Behavior as Predicted by a Social Exchange Model: Three Tests of Sexual Economics"

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This research tests new theory, entitled Sexual Economics, which seeks to predict differences in heterosexual sexual behavior as viewed from a social exchange framework (Baumeister and Vohs, 2003). The theory starts with the premise that sex is a commodity that women possess and that men want. Because women are the gatekeepers of sex (Baumeister, Catanese, and Vohs, 2001), men must offer resources (e.g., time, money, respect, attention, commitment) to obtain it from women. From this perspective, women act like sellers and men act like buyers and each gender's behavior can be understood as individual and gender-wide attempts to maximize utility. Three studies tested the model and its implications.

In the first study, we tested one of the basic, underlying premises of the model. Because men have dramatically stronger sex drive than women (Baumeister et al. 2001) and women are the decision makers as to when sex is allowed to take place, women will be attuned to the amount or quality of resources they have been given. Accordingly, women will be in an exchange mode when cued with the idea of allowing sex to occur. Specifically, we tested the hypothesis that thinking of a sexual situation heightens women's exchange (versus communal) orientation. In this study, Dutch men and women either read a scenario about a woman and a man on a first date or about an evening with friends. Both the *dating* and *friend* paragraphs were written in the second-person and included as the two main activities going out for dinner and then to a club to dance. However, the dating paragraph contained some sexual overtones whereas the friend paragraph did not. Thus, the scenes were equivalent in all ways except for the presence of a sexual connotation in the dating scene. Next participants read communal- and exchange-related statements in what was described as a proof-reading task. After a filler task, participants were given a surprise recall test for the items in the proofreading task. The results showed the predicted interaction effect between gender and scenario, such that women who read about a sexual dating scenario remembered more exchange-related (but showed no change on communal-related) items, relative to women who had read the dating scenario and men who had read the dating scenario.

A second study tested an implication of the model, which is derived from social exchange theory: when one person over-benefits relative to another, the over-benefited person will feel guilt due to this imbalance. Hence, in study 2, we tested whether women would expect to feel guiltier if they received resources from the man but did not return the exchange with sexual access. Six scenarios (2x3 between-subjects design) were presented to men and women and they made judgments of what the woman in the story would be feeling. Each scenario described a night wherein a woman and a man go to dinner. Their dinner is described as their first, fourth, or eighth, and the man either pays for the dinner (as he has on each occasion) or they split the bill (as they have on each occasion). The scenario ends in all conditions with the man walking the woman to the door, where the woman senses that he wants to come in but, being unsure of her feelings for him, she gives him a small kiss on the cheek and says goodnight. Again, the dependent measure was ratings of the woman's feelings as a function of number of dinner dates and who paid for the dinners. The results showed the predicted effect, such that participants (both men and women) believed that the woman in the story would feel more guilt when she had been to dinner with the man on multiple occasions and he had paid for each dinner each time. Participants did not, however, perceive that she would be feeling more negatively in general; rather the effect was specific to guilt–as would be predicted by a social exchange account.

Study 3 took a more direct approach to understanding guilt as an outcome of over-benefiting in the context of sexual exchange. Analogous to the findings of study 2, we predicted that when women accept a gift but do not reciprocate in a sexual fashion, they will experience higher levels of guilt than men in the same situation

or women who did not receive a gift or have sex on Valentine's Day. In the week after Valentine's Day, participants completed a survey regarding gifts given for Valentine's Day. We asked participants whether they had received a gift on Valentine's Day and whether they had sex that day. Then we assessed several negative emotional states, which the key dependent variable being ratings of guilt. As predicted, women who received a gift but did not have sex with their partner on Valentine's Day reported stronger feelings of guilt than did participants in the comparable cells.

In sum, these data support the sexual economics theory of heterosexual sexual behavior. When men want sex from women, they must exchange resources. In study 1, we showed that when women are reminded of a sexual dating situation, they become more attuned to exchange-relevant (as opposed to communal) information. We showed in studies 2 and 3 that women are expected to feel (study 2) and actually feel (study 3) more guilt when they receive a resources or a gift from a man but do not reciprocate by engaging in sexual behavior.

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### "Peacocks, Porsches and Thorstein Veblen: Romantic Motivations for Conspicuous Consumption"

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*Douglas Kenrick, Arizona State University*
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As they acquire wealth, people tend to spend an increasing amount on frivolous luxuries. The market for "new luxury" products was recently estimated at $350 billion per year, with a 10-15% annual growth rate (Silverstein and Fiske 2003). Thorstein Veblen (1899) documented displays of such luxuries over a century ago, coining the term "conspicuous consumption." Conspicuous consumption can be motivated by different forms of impression management, such as signaling competency to potential clients, or one's social class to new neighbors. Our research focuses on an underexplored motivation for engaging in conspicuous consumption—signaling to potential mates.

Costly signaling theory (Zahavi and Zahavi 1997) and sexual strategies theory (Gangestad and Simpson 2000) are employed to generate unique hypotheses about mating-related motivations for conspicuous consumption. There are well-documented sex differences in mate preferences indicating that wealth displays are more advantageous for men than women in the mating market. The present research expands on this work by drawing on two biologically-based theories to predict that other factors, such a man's sexual strategy and goal state, can also influence motivations to conspicuously consume.

In three studies we investigated how mating-related primes, participant sex, and participants' sexual attitudes may be linked to purchase evaluations and decisions (studies 1 and 2), and what mating-relevant impressions are formed by observers of others' conspicuous consumption (study 3). We provide evidence for a two-way signaling system; showing first that the propensity to send a sexual signal via conspicuous consumption is enhanced only for some individuals when in a mating mindset, and second that observers of others' conspicuous consumption interpret that signal accordingly.

In study 1, tendencies to conspicuously consume were examined under different goal states. Men that hold sexually unrestricted attitudes (reflecting an openness to sex without commitment) were predicted to be the most likely to conspicuously consume, but only when primed with mating-related stimuli. 203 participants were either primed with pictures/profiles of opposite sex targets in a campus dating service (mating), or pictures/descriptions of dormitories in a residence placement service (neutral/control). In an ostensibly unrelated task, participants then spent a $2000 budget on 36 possible items (e.g., clothing, iPod) varying in their conspicuousness (per independent sub-sample judgments). Materialism (Richins and Dawson 1992) and sexual attitudes (Simpson and Gangestad 1991) were also measured. Materialism did not significantly predict conspicuous consumption. An a priori contrast revealed that sexually unrestricted men who received a mating prime were significantly more likely to conspicuously consume than sexually unrestricted men not primed with mating stimuli, sexually restricted men regardless of prime, and women regardless of sexual attitudes or prime $F(1, 223)=12.35$, $p=.001$, providing support for the hypothesis advanced.

Study 2 employed two different scenario mating primes—a short-term (uncommitted sex) and a long-term (romantic love, commitment) prime to conceptually replicate study 1 and investigate boundary conditions on those results. Unrestricted men's conspicuous consumption was expected to be emphasized when primed with the short-term scenario, because that is a type of romantic encounter consistent with their sexual attitudes. 240 participants responded to 10 items: "Compared to the average student on campus, please indicate how much money you would want to spend on (e.g., a new car, nice dinner with your friends)?" Participants' sexual attitudes were measured. Compared to all other participants, sexually unrestricted men primed with short-term mating stimuli reported enhanced conspicuous spending, $F(1, 228)=10.30$, $p<.01$, relative to unrestricted men primed with either long-term or neutral stimuli, restricted men regardless of prime, and women and women regardless of sexual attitudes or prime, confirming our hypothesis.

Study 3 was designed to provide support for the receiving end of the signaling system—to show that observers of conspicuous consumers interpret or decode that behavior in a manner consistent with its function as a sexual signal (as documented in studies 1 and 2). Given such a system, we expected that when a person witnessed someone engaging in conspicuous consumption, he or she would form certain impressions about the target's attitudes towards relationships. Specifically, we predicted that if a man conspicuously consumes, he will be perceived as more open to short-term sexual opportunities than a man making a more conservative purchase. In study 3, 248 participants evaluated an otherwise identical male or female target who had purchased either a Porsche Boxter or a Honda Civic (MSRP, picture included). Background information (income, occupation, hobbies, target attractiveness) was held constant across conditions. The dependent measure was the set of sexual attitude items (Simpson and Gangestad 1991) as they thought their target would complete them. A priori contrasts revealed car type had a significant effect on impressions of the male target's attitudes $F(1, 197)=12.19$, $p=.001$, but not on the female target's attitudes, $F(1, 197)=2.51$, $p=.115$.

Data from three studies provide converging evidence that mating-related goals play a role in motivating conspicuous consumption, and that conspicuous consumption leads to the formation of mating-relevant impressions among observers. Rather than

finding a straightforward male-female difference in conspicuous consumption, we show that individual differences in sexual attitudes, and the person's motivational state (mating vs. non-mating) play key roles in motivating this ubiquitous consumption pattern. Conspicuous consumption was only enhanced among men who held sexually unrestricted attitudes, and only when they were primed with mating stimuli. The pattern of results fits best with costly signaling and sexual strategies theories, and less well with social role and normative explanations that focus on generalized male-female differences in consumption behavior. This research suggests that evaluations of "new luxury" products and the promotions designed to sell them may be influenced by the audience's sexual attitudes, and whether or not mating goals are salient when processing this product-related information.

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## "Gender-Related Reactions to Inappropriate Sex Appeals in Advertising"

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This research examines gender-based reactions to the use of inappropriate sexual images in advertising (i.e., when the sexual image is either unnecessarily explicit, and/or has little to do with the product being advertised). We focus particularly on reactions obtained under a high cognitive load, both in order to simulate real-world conditions whereby consumers typically process ads at a very shallow level, and also to provide insights into respondents' spontaneous reactions.

Prior advertising research has shown that both men and women tend to react negatively to sexually inappropriate ads (Peterson and Kerin 1977; Simpson et al. 1996), possibly because explicit and product-irrelevant sexual images are deemed to be unethical and manipulative (Friestad and Wright 1994). However, the current research suggests that different results might obtain under constrained capacity conditions. Specifically, we argue that ad attitudes under such conditions should be primarily influenced by spontaneous affective reactions; thus, consumers who harbor positive affect towards sexual stimuli–such as those who have intrinsically positive attitudes towards sex per se–should evaluate sex-based ads positively, in comparison to equivalent non-sexual ads.

Two experiments used this conceptualization to provide some insights into both similarities and differences between men and women in their reactions to sex-based advertising. First, drawing on the premise (which has received much support in both evolutionary

and socialization perspectives of human sexuality) that men on average possess more positive intrinsic attitudes towards sex than women, Experiment 1 tested the prediction that men will evaluate the use of inappropriate sexual appeals more positively than non-sexual ads under high load conditions, while the reverse pattern will obtain for women. A 2 (Gender: Men vs. Women) x 2 (Ad Type: Sexual vs. Non-sexual appeal) was used. All participants examined an ad booklet after being given a ten-digit number to hold in memory; thus simulating a high cognitive load. The target ad (for Chaumet watches) featured product details and a picture with either an explicit sexual image (a couple having intercourse) or a product-irrelevant non-sexual image (a landscape visual). Participants then responded to a series of questions, including the critical dependent variable–a 3-item measure of attitude towards the ad. A significant interaction of ad type and gender was obtained (p<.001). As predicted, males reported better attitudes for the sexual ad than the nonsexual ad ($M_{sex}$=5.74, $M_{nonsex}$=4.22, p<.001). Further, women followed the reverse pattern ($M_{sex}$=3.25, $M_{nonsex}$=4.54, p<.01). Also of interest were the results obtained in two control conditions, in which men and women processed the sex-based ad under a low cognitive load. Replicating past results, both men and women reported relatively poor ad attitudes under these unconstrained conditions ($M_{men}$=3.91, $M_{women}$=3.79, F<1).[1]

Experiment 2 used our conceptualization to explore intra-gender differences in evaluations of inappropriate sex-based ads, with a particular focus on women's reactions. If, as we have argued, spontaneous reactions to sexually explicit ads are driven by intrinsic attitudes towards sex per se, women with more liberal attitudes towards sex should display a similar pattern of responses as the men in Experiment 1. A 2 (Ad type: Sexual vs. Non-Sexual appeal) x 2 (Sexual Attitudes: Conservative vs. Liberal) between-subjects design was used; all four conditions were run under high cognitive load (female participants only). In addition, two male control conditions (Sexual Attitudes: Conservative vs. Liberal) were also studied; control participants were all exposed to the sex-based ad under load. The primary DV was again attitudes towards the ad. There were also two key additions: a) a standard seven-item scale tapping into liberal vs. conservative attitudes towards sex (Mercer and Kohn 1979; example item: "I approve of unmarried couples engaging in sexual intercourse"; median score=3.14 on a scale of 5); and b) items tapping into participants' cognitive deliberations about the ad (e.g., agreement with the statement "I think the ad featured an unethical use of sex") as well as items tapping into affective reactions during ad viewing–both positive (e.g., "happy") and negative (e.g., "upset")

A significant interaction of ad type and sexual attitudes was obtained (p<.01). As predicted, women with relatively conservative

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[1]We note that our research focused primarily on the extreme cases of inappropriate sex appeals, as operationalized by both high explicitness and product-irrelevance of the sexual image. However, our theoretical conceptualization posits that, under constrained capacity, deliberations regarding product relevance are unlikely to play a part in determining attitudes induced by the ad. We would predict, therefore, that the gender difference observed in Experiment 1 should hold even if the sexual image were product-relevant. A follow-up study, in which men and women were exposed under constrained processing conditions either to the sexual ad from Expt 1 (i.e., irrelevant and explicit) or a product-relevant explicitly sexual ad (the same ad, but for condoms rather than watches), provided good support for this thesis. Men reported substantially more positive evaluations of the ad than women, regardless of product relevance.

(below median) sexual attitudes reported a significantly better ad attitude towards the non-sex ad than the sex ad ($M_{sex}$=3.44, $M_{nonsex}$=4.26, p<.05). At higher (i.e., more liberal) levels of sexual attitude, however, the opposite pattern was obtained, with female participants (like the men in study 1) now preferring the sex-ad to the non-sex ad ($M_{sex}$=5.15, $M_{nonsex}$=4.32, p<.05). Further regression analyses revealed that across conditions, ad attitude was significantly predicted by the overall affective index (p<.0001) but not by the cognitive index (ns). Subsequent mediation analyses then found that the effect of ad type on ad attitudes was fully mediated by participants' affective reactions. Finally, control group results showed that, as with women, better attitudes towards the sex ad were obtained for liberal men (M=5.73) than conservative men (M=4.23, p<.0001).

In sum, our research extends prior literature by showing that, rather than being uniformly disliked, the inappropriate use of sex in advertising can actually produce positive evaluations under constrained processing conditions–for men, as well as for women with liberal sexual attitudes. Our findings are consistent with the premise that respondents' reactions to such ads are driven primarily by their intrinsic attitudes towards sex per se. At a more detailed process level, we identify the critical role of ad-induced affect in driving evaluations of inappropriate sexual appeals under high cognitive load. Finally, by demonstrating both inter-gender and intra-gender variation in attitudes towards sex-based ads, our research provides findings consistent with modern perspectives on human sexuality, which argue against a purely gender-determined view of attitudes towards sexual stimuli (e.g., Gangestad and Simpson 2000). Additional implications of our research, as well as directions for further research, are discussed in the complete paper.

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# Mindset-Dependent Consumer Decision Making

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## SESSION OVERVIEW

Despite decades of social cognitive research on mindsets (e.g., Gollwitzer 1990), relatively little attention has been paid to how shifts in different mindsets impact consumer decision making. The question is important and deserves attention as rather subtle cues can unconsciously activate different mindsets that can in turn have substantial effects on thought production, information encoding, information retrieval and ultimately behavior (e.g., Kray & Galinski 2003; Sassenberg & Moskowitz 2005). Such influence of contextual cues is well documented in other areas of consumer behavior research. For example, task requirements (e.g., fluent or difficult-Novemsky et al. forthcoming), consumption settings (e.g., public vs. private-Ratner & Kahn 2002) and initial primes (e.g., elderly stereotypes-Bargh et al. 1996) have all been shown to impact consumer cognitions and behavior. Moreover, as mindsets have been shown to affect tasks that are not necessarily related to the task that stimulated these mindsets (e.g., Smith & Branscombe 1987; Chandran & Morwitz 2005), examining the impact of mindsets on consumer decision making is highly important, given the multiple cues and tasks consumers face. This session presents four papers that provide an integrative look on the interplay between mindsets and decision making by examining how prior tasks and contextual cues can lead to certain mindsets, which in turn affect consumer choices and other decisions.

In the first paper, Dalton, Lynch, and Spiller investigate how an implemental mindset affects following through on decisions once made. They find that an implemental mindset facilitates following through decisions only when consumers are asked to follow a single decision and not multiple decisions. When multiple decisions are activated, implemental mindsets weakens commitment which decreases likelihood of executing decisions. For example, they show that implemental mindset facilitates the decision to carry out virtuous activities such as eating healthy, only when participants were not committed to additional activities.

Keinan and Kivetz examine consumption of unusual and extreme experiences, such as staying at freezing-ice hotels. They propose that choosing these options is driven by a productivity mindset, i.e., a desire to use time productively. In a series of studies they demonstrate the impact of a productivity mindset on choice of collectable (unusual, aversive or extreme) options. They show that priming consumers with a productivity mindset increases the choice of collectable experiences and examine the process underlying this effect.

Khan and Dhar propose a distinction between a highlighting vs. a balancing mindset that provides a framework for understanding how a prior task leads to consistency versus contrast in subsequent behavior. They propose and demonstrate across a series of studies that when an initial task activates a self-concept it leads to a highlighting mindset, which subsequently guides consistent behavior. However, when an initial task activates a self-concept *and* establishes credentials for it, it leads to a balancing mindset that causes subsequent choices to contrast from the initial ones.

Finally, Maimaran and Simonson propose an integrative framework based on a distinction between bold and timid mindsets to explain and predict choice behavior across a wide range of problems. Specifically, they propose that some options represent more 'timid' choices that are associated with no risk-taking and conven-

tional behavior (e.g., compromise, safe and standard options), whereas other options represent more 'bold' choices which are associated with standing for one's beliefs and taking risks (e.g., extreme, risky and unique options). Across several studies they demonstrate this distinction between choice options and show that the tendency to choose a more bold or timid option is affected by consumers' bold or timid mindsets.

## EXTENDED ABSTRACTS

### "Following Through on Decisions: The Costs and Benefits of Implemental Mindsets"

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*John Lynch, Duke University*
*Stephen Spiller, Duke University*

Seventy years of research shows that despite good intentions, most decisions are not acted on. Our main focus in this research is on a strategy that is supposed to help people do a better job at following through with their decisions–namely, forming *implementation intentions* (Gollwitzer 1999). Implementation intentions are plans that specify the procedures by which a decision will be implemented and the circumstances under which these behaviors will be executed. Research has shown that this specific planning has very large effects on following through with decisions. For instance, in one study, college students all made the decision to write a report over winter break. Some students simply committed to the decision, while other students also formed implementation intentions–they decided in advance when and where they would write the report. Even though the two groups of students said that they were equally committed to the decision, the group with an implemental mindset was much more likely to write the report (Gollwitzer & Brandstätter 1997).

The extant literature has looked at the benefits of an implemental mindset in the context of acting on a single decision. But most of us are juggling multiple commitments and jobs. This raises the question of how successful the implementation intention technique would be to accomplish multiple things we decide to do. In our research, we conjecture that it is less likely that an implemental mindset would benefit individuals who have decided to carry out a number of activities (e.g., a daily to-do list) vs. a single activity (e.g., tidying up).

To test whether decision follow through depends on the adoption of an implemental mindset, we compared participants who simply made a decision to carry out a behavior to participants who made this same decision but with an implemental mindset i.e., they went beyond committing to a decision and specified when, where, and how they would act on their decision. Moreover, some participants planned (or not) how to act on a single decision, while others planned (or not) how to act on multiple decisions. This second manipulation allows to tests whether the benefit of adopting an implemental mindset attenuate in a multiple decision context.

Several experiments support our main hypothesis that individuals are more likely to follow through with decisions in an implemental mindset, provided they adopt this mindset to act on a single decision rather than multiple decisions. Our first experiment demonstrates this effect by replicating and extending the procedures of Brandstatter et al. (2001*).* All participants made a decision

to respond particularly fast to a certain number or to a set of 3 numbers, and to do so while performing a second computer-based task. The difference between participants in the implementation intentions versus control conditions was that the former group made a resolution to respond particularly fast when their given number(s) appeared, and the latter group mentally prepared themselves by writing their number(s) down 25 times. Both reaction time data and accuracy data revealed that an implemental mindset helped participants who had decided to respond quickly to a single number, but did not help those who had decided to respond quickly to multiple numbers.

In another study, we examined decisions to carry out virtuous activities, such as eating healthily or tidying up. Some participants simply decided to carry out these activities over the course of a week, whereas others supplemented this decision with implementation intentions. Moreover, while some carried out a single activity, other participants committed to multiple activities. Again, we found that the benefit of an implemental mindset broke down among participants who adopted this mindset to act on multiple decisions. We also found that commitment mediated this effect. That is, among participants with multiple activities to carry out, adopting an implemental mindset significantly weakened commitment to their decisions, and this drop in commitment spoiled the benefits associated with an implemental mindset. Implemental mindsets also affected decision follow through by suppressing commitment to alternative activities (i.e., activities that participants did not decide to pursue in the context of the study). However, this inhibitory process was weakened when an implemental mindset was adopted for multiple decisions.

To summarize, the current studies explore two factors that influence the probability that one follows through on a decision once made. These factors are (1) whether or not one adopts an implemental mindset, and (2) the number of decisions for which one adopts an implemental mindset. We show that an implemental mindset improves decision follow-through among individuals acting on a single decision, but not multiple decisions. This occurs because implemental mindsets alter commitment when multiple decisions are to be acted on.

### "Productivity Mindset and the Consumption of Collectable Experiences"
*Anat Keinan, Harvard University*
*Ran Kivetz, Columbia University*

"Man is so made that he can only find relaxation from one kind of labor by taking up another." *Anatole France*

"Finally, a to-do list you'll really want to do." *Advertisement for Mohegan Sun hotel, casino and spa*

Recent marketing trends suggest that many consumers are attracted to unusual and aversive consumption experiences and choose vacations, leisure activities, and celebrations that provide low predicted and experienced utility. A fascinating example is the increasing popularity of Ice Hotels, where visitors sleep on beds made of ice in frigid temperature of 25° F. A similar trend is observed in restaurants that are trying to attract consumers by offering unusual entrées and desserts. Such gastronomic innovations include tequila-mustard sorbet, bacon-flavored ice cream, and chocolate truffles with vinegar and anchovies.

Why do consumers desire these unusual consumption experiences, and voluntarily engage in activities that are uncomfortable, unnecessary, and even aversive? The sensation-seeking literature

has tried to explain this as an "irrational" preference, suggesting that consumers seek unusual experiences because they provide immediate pleasure. This literature is premised on the notion that such consumption is counterproductive and reflects myopic, impulsive, and spontaneous tendencies and individuals.

We challenge the assumptions of the sensation-seeking literature and propose that there is something farsighted and purposeful in this seemingly irrational behavior. The present research demonstrates that consumers derive utility from collecting new experiences and "checking off" items on their "experiential check list" (or "experiential CV"). We explain this phenomenon by the continual striving of many consumers to use time efficiently and productively. This desire to constantly improve oneself and achieve is so powerful that it not only affects consumers' performance in achievement settings, but can also influence their consumption and leisure preferences and non-vocational choices. By collecting memorable experiences, consumers obtain a sense of accomplishment and progress, and enhance their self-worth.

Consistent with this proposition, we show that the consumption of collectable experiences is driven (and intensified) by productivity mindset. The studies demonstrate that priming productivity and time efficiency, or creating a desire to correct unproductive usage of time, enhances the preference for unusual and collectable experiences. Furthermore, the studies show that farsighted and planned consumers, who are concerned about time efficiency and productivity, are more likely to desire collectable experiences. Such consumers measure their own worth in terms of productivity and accomplishment and are inclined to see all situations (including consumption and leisure choices) as opportunities to be productive and build their "experiential CV."

A series of nine studies examined the relationship between productivity mindset and the consumption of collectable experiences. We begin with a pilot study that demonstrates consumers' tendency to choose unusual and even aversive consumption experiences. We show that consumers choose experiences that they predict to be less pleasurable. This study also provides initial evidence suggesting that such choices are motivated by a desire to create special memories.

We then report a series of studies that explain this phenomenon using the constructs of productively mindset and collectable experiences. Studies 1a and 1b examine the effect of priming productivity mindset on the choice of collectable experiences. Study 2 investigates the effect of priming the collection of physical items on vacation preferences, and demonstrates the similarity between collecting items and collecting (intangible) experiences. The study examines the conditions under which consumers spontaneously mention collectable characteristics when describing desirable vacations.

Study 3 examines the effect of a need to correct unproductive use of time on a real choice of a familiar vs. exotic restaurant. Study 4 explores how the need for productivity affects preferences for retirement activities and demonstrates that collecting experiences is related to consumers' sense of identity. We show that high achievement motivation consumers, who view productivity as central to their identity, tend to seek leisure activities that provide a sense of progress and purpose, and hence consume collectable experiences.

Whereas studies 1-4 examine individual differences that are measured using self-reports, studies 5a and 5b, employ observational measures of "productivity mindset," such as consumers' tendency to set their watch fast and use their waiting for a train productively. We find that consumers, who tend to set their watch faster or try to use their waiting time productively, are more likely

to choose consumption experiences that are collectable (e.g., memorable vacations and unusual birthday celebrations).

We conclude with a field study that was conducted at Times Square on New Year's Eve. The study explores the effect of increasing the collectability and memorability of aversive experiences. This tendency to prefer memorable but less pleasant experiences is part of a broader phenomenon that we define as "memory management." In addition to testing the proposed conceptualization, we examine alternative explanations, involving such factors as misprediction of hedonic experiences and present-oriented sensation-seeking.

### "Reconciling Consistency and Contrast in Sequential Choices"

*Uzma Khan, Stanford University*
*Ravi Dhar, Yale University*

Most consumer choices follow other choices and decisions. However, there is little consensus on when an initial task leads to consistency versus contrast in subsequent decisions. For example, recent choice research has shown that after expressing their better natures in an initial task, people are more likely to self-indulge in subsequent choices (Khan & Dhar, 2006, cf. Monin & Miller, 2001). However, these effects are inconsistent with other findings in social and cognitive psychology showing that an initial task causes people to act consistently in subsequent tasks (Bargh et al., 1996, Dijksterhuis & Bargh, 2001; Wheeler & Petty, 2001). For example, LeBoeuf et al. (2007) primed college students with scholarly (socialite) identities in initial tasks and showed that they subsequently chose scholarly (social) magazines over social (scholarly) ones.

The present research offers a framework to understand when and which prior tasks guide consistent subsequent behavior rather than lead to contrast. As per Dhar and Simonson's (1999) characterization, we propose that an initial task can lead to either a balancing or a highlighting mindset, which subsequently leads to mindset-consistent behavior. We distinguish between two types of tasks and propose that an initial task that activates a self-concept leads to highlighting mindset, which guides consistent subsequent choices. Whereas, an initial task that activates a self-concept *and* establishes credentials for it, by providing evidence of progress towards it, leads to a balancing mindset and thus inconsistent choices later. Four studies illustrate our idea.

In Study 1, participants chose between a gift-certificate to a bookstore and an equally priced gift-certificate to a restaurant in three between-subject conditions. The former was pretested to be more scholarly than the latter. In the control, prior to this choice participants unscrambled some unrelated words. The second condition primed a highlighting mindset by activating a scholarly self-concept. Specifically, prior to the gift-certificate choice, participants wrote why learning was important to students at their university. In the third condition, instead of writing about the importance of learning, participants indicated some recent activities (including classes) that added to their own learning. This manipulation primed a balancing mindset by activating a scholarly self-concept *and* at the same time providing evidence of scholarship. Consistent with our theorizing, participants were more likely to balance and choose a restaurant gift-certificate (65%) after writing about their own learning compared to the control (41%; $\chi^2$=4.2, p<0.05). However, only 35% chose a restaurant gift-certificate in the highlighting mindset, i.e., after writing about importance of learning.

Study 2 provides a conceptual replication of the role of progress in highlighting and balancing mindsets. We primed an academic self-concept by asking people to think about either their own or someone else's academic activities. Other's academic activities are likely to prime a highlighting mindset by activating scholarly self-concept without providing evidence of progress towards it and will therefore lead to scholarly subsequent choices. In contrast, thinking of one's own academic activities will not only activate a scholarly self-concept but will also provide evidence of scholarship hence leading to a balancing mindset, which will subsequently lead to less scholarly choices. Results were as predicted. Compared to the control (55.6%), significantly more chose a Cosmopolitan (less scholarly option) over a Newsweek (scholarly option) in the balancing mindset (76.7%; $\chi^2$=4.39, p<0.05). Moreover, choice of the Cosmopolitan was less than the control in the highlighting mindset (34.9%; $\chi^2$=3.79, p=0.05).

Self-affirmation research has shown that people's defensiveness (in face of a threatened self-image) reduces if they are self-affirmed in totally unrelated domains (Steele 1988). Similarly, Study 3 shows that a balancing mindset influences choices across different domains as long as the initial task provides progress on an important dimension of one's self-concept. In a between-subject design, participants either wrote an essay on a value that was most important or least important to them (Sherman et al. 2000). Control participants wrote an unrelated essay. Finally, everyone decided whether to buy/not-buy a concert ticket for $50. Results show that compared to the control (61%), significantly more participants balanced and chose to buy the concert ticket after writing about their most important value (89%; $\chi^2$=7.29, p<0.05) but not after writing about their least important value (53%; $\chi^2$=0.33, p=0.57). This study suggests that a balancing mindset initiated by progress in one domain can impact choices in unrelated domains if the initial progress is on self-relevant dimensions.

Study 4 shows that the ease with which an initial task establishes credentials towards activated self-concept determines which mindset gets activated. Our findings contribute to work on sequential choices and to research on prime-to-behavior link by proposing a framework to explain when initial tasks lead to consistency vs. contrast.

### "The Bold – Timid Divide in Consumer Choice"

Michal Maimaran, Stanford University
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In consumer decision making research the focus tends to be on studying individual phenomena, such as identifying conditions affecting preference for compromise options (e.g., Simonson 1989; Drolet 2002), low risk options (e.g., Thaler & Johnson 1990), or unique options (Maimaran & Wheeler, forthcoming). However, a closer examination suggests that there are some basic similarities in the options consumers face in seemingly unrelated choice problems. For example, in some respects, choosing an extreme option can be seen as related to choosing a risky gamble, a unique option, and a hedonic option. Similarly, compromise options, safe options, standard, and utilitarian options have common features and reflect related choice tendencies.

In this research we try to identify such cross-problem similarities and the manner in which they correspond to particular consumer mindsets. By doing so we attempt to offer more parsimonious explanations to seemingly unrelated phenomena and identify factors that moderate choice behavior across different problem types. Building on distinctions previously discussed in the literature, including regulatory focus (e.g., Higgins 1998; Chernev 2004), uniqueness vs. conformity motivations (e.g., Snyder & Fromkin 1977; Simonson & Nowlis 2000), and arousal seeking (e.g., Mehrabian & Russell 1973), we propose that some options represent more 'bold' choices, and some represent more 'timid'

choices. Bold options are unconventional, distinctive with respect to the choice set and are self expressive. Based on this definition of 'bold' choice behavior, we refer to extreme, risky, hedonic, innovative, unique, high-price high-quality, mixed-value and action-oriented options as the 'bold' choice options. In contrast to this 'bold' choice behavior, other choice options represent more 'timid' choice behavior, which in turn is associated with conventional, bland (i.e., dull or boring), non-expressive behavior. Timid choice options include compromise, standard, sure-gains, utilitarian, traditional, low-price low-quality, all-average and inaction-oriented options.

We further propose a parallel distinction between bold and timid mindsets, which in turn affect the type of chosen option ('bold' vs. 'timid'). A bold mindset is associated with a desire to engage in unconventional or more meaningful behaviors, and to take a stand. The 'timid' mindset, on the other hand, is associated with ordinary, conventional behavior and with a desire to fit in. Consumers' mindset, which is affected by situational cues, affects their choice between bold and timid options. When in a 'bold' ('timid') mindset, consumers are more likely to choose 'bold' ('timid') options across different problem types in order to maintain this mindset and to fulfill the goals associated with it. In five studies we demonstrate this distinction between bold and timid options and the corresponding mindsets, showing that the same situational cue has the same effect across different problem types.

In Study 1 (N=58) we ask participants to rate choices that previous participants supposedly made on four scales: boldness, self-expressiveness, timidness, and conventionality. We find that indeed the options we define as 'bold' (extreme, risky gambles, unique, hedonic, innovative, mixed-value, and HP/Q) are rated as more bold, more self-expressive, less conventional and less timid than the options we define as 'timid' (compromise, sure gains, standard, utilitarian, traditional, all-average and LP/Q).

In Study 2 (N=161), we find that priming the 'boldness' mindset leads to more bold decisions. Specifically, using sentence unscrambling task, we primed participants with 'bold', 'timid', or neutral words. Participants then made a total of 9 choices among various products (between compromise and extreme options, between sure-gains and risky gambles and between hedonic and utilitarian products). Across all problem types, we find that those primed with 'bold' words were more likely to make 'bold' choices (i.e., chose more extremes, risky and hedonic options), compared to those in the 'control' and 'timid' conditions, which in turn did not differ.

Studies 3-5 examine the effect of choosing first the choice domain on the making of bold decisions. We propose that choosing the choice domain can lead to a bold mindset by triggering a desire to express the self when making later a selection within this chosen domain. As a consequence, we predict that when consumers first choose in which domain they want to make choices, they will later make more bold choices in this domain. To test this prediction, in Study 3 (N=231), about half of the participants first chose the domain to make a choice in. Participants in the control condition only made choices within some of these domains. We find that across the six problem types, participants who chose in their chosen category were more likely than those in the control condition to choose 'bold' options, namely mixed-value, unique, risky, extremes, hedonic and HP/Q. The effect holds also when controlling for products knowledge and expertise. In Study 4 (N=346), we find that this 'choose category' effect is strengthen after a time delay, suggesting that this effect operates through a motivational route. Finally, in Study 5 (N=225) we find across four problem types that the choose-category effect is eliminated when the 'bold' option is

framed as the status quo option, and thus presumably is no longer perceived as bold.

Taken together, these studies demonstrate that certain manipulations, which induce bold or timid mindset, have the same effect on choice behavior across many different problem types. In our next studies we gain further insights into the process of inducing these mindsets and their impact on choice behavior. For example, we have preliminary data suggesting that when consumers first have an opportunity to express themselves (by drawing a picture of themselves or by writing about themselves) they are then more likely to choose bold options (risky gambles, unique options and extremes).

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# Bridging the Gap between Behavioral and Humanistic Perspectives to Improve Consumer Welfare: A Focus on Communication of Prescription Drug Information

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## SESSION OVERVIEW

Nearly 50 years ago, C.P. Snow described science and literature as "The Two Cultures" of modern society. Research derived from these two cultures involve different theoretical perspectives, methodological tools, and appropriate metrics to evaluate substantive problems. In many ways, this gap has become more pronounced because of the specialization of our research efforts. In the area of health, in general, and communication regarding prescription drugs, in particular, we can see the impact of this separation in the ways researchers approach health concerns and health issues.

The recent call for transformative research by David Mick and others reflects the growing interest in applying marketing and consumer behavior theories and methods to improve consumer welfare. Although this notion of transformative research is new, previous researchers in our field, and in related disciplines, have also called for the analysis of social issues from a wide variety of perspectives. For instance, Marv Goldberg's SCP Presidential address (1995) was a pointed commentary that consumer researchers were "fiddling while Rome burned;" that is, we were not applying our expertise to improve the human condition. The focus of his argument was the need to apply multiple theories and methods to examine a social issue. Although he did not use the metaphor of building bridges, the spirit of his position was the value in examining a social issue from multiple perspectives.

Two perspectives (or islands) he discussed were upstream (environmental barriers, policy/ regulatory-oriented issues) and downstream (theories of individual decision making, theories of persuasion, marketing-mix variables) approaches to create effective behavioral change programs. Goldberg argued that social issue (or transformative) researchers would benefit from building a bridge across these two (upstream and downstream) approaches.

A second set of methodological islands that influence our approach to health-oriented research is the application of humanistic (e.g., argumentation analysis) and behavioral (e.g., experimental) methods. These two approaches represent different conceptualizations of the value of control in the development of an empirical study.

A third pair of islands reflects the unit of analysis in the research: individual or dyad and the application of static rather than more dynamic models of behavior. Most models of persuasion focus on the individual and apply a static approach; that is, the presentation of a message that is intended to inform the individual and to motivate behavior change or behavior maintenance. An alternative approach is to treat the dyad (e.g., the health professional and the client) as the unit of analysis and examine the dynamic communication process between these two parties.

Our intent for the current proposed session is to describe research that applies these different perspectives to study communication issues associated with prescription drugs. Nakamoto et al. examine issues associated with direct to consumer advertising of prescription drugs by using a humanistic theory and method (argumentation theory) to examine the impact of the structure of DTCA content on the inferences drawn from these ads. This research is an example of Goldberg's description of "downstream research." In contrast, Pechmann presents an upstream analysis of DTCA by

examining the process used by the FDA to regulate the information contained in a DTCA. Both these papers focus on the consumer as the unit of analysis and approach persuasion as a more static process. Brinberg et al. describe a research project that examines the relationship between pharmacists and their clients by combining observational methods with an experimental study to assess the impact of health messages tailored to the stage of the relationship between the pharmacist and the client.

The proposed session will bring together scholars with different theoretical and methodological perspectives to discuss ways in which these different "research cultures" can be applied to better understand the development of health messages. The session will allow us to illustrate how scholars in the area of transformative research are able to integrate distinct methods to create a more comprehensive investigation of health messages. We expect this session to appeal to researchers involved in the study of social welfare problems and methodologists interested in the application of multiple approaches to study a social problem.

## EXTENDED ABSTRACTS

### "Argumentation in Direct-to-Consumer Advertising of Pharmaceuticals: Logical Problems and Policy Issues"

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*Kent Nakamoto, Virginia Tech*
*Peter Schulz, Universita della Svizzera Italiana*
*Anjala Krishen, University of Nevada, Las Vegas*

There is an ongoing global debate on the benefits and risks of allowing direct-to-consumer advertising (DTCA)—the promotion of prescription medicines to the general public in the lay media. Currently, DTCA is allowed only in the United States and New Zealand; however, there is strenuous lobbying in many countries to relax national restrictions on DTCA and it can be reached via internet all over the world. Promoters of DTCA argue that pharmaceutical companies have more accurate, balanced, and scientifically based information than any other sources. As such, they are in an unique position to provide people with adequate information on the safe use of medication, as well as to create effective knowledge for evaluating the benefits and risks of drug products, and generally assisting people in managing their health autonomously and appropriately. Opponents of DTCA emphasise the financial gains of the pharmaceutical industries and the fact that DTCA enhances medicalization of normal human experience. Opponents claim that DTCA's primary aim is to create name and brand recognition with a view to increasing the use of the advertised products.

There is strong evidence that DTCA is effective in increasing sales. In 1999, the 25 top-selling medicines promoted directly to consumers accounted for 40.7% of the overall $17.7 billion increase retail drug spending. The same 25 top-selling drugs had an aggregate one-year sales growth in 1999 of 43.2%. The growth in sales for all other drugs was 13.3%. This coincides with a growth in the number of prescriptions for the 25 DTC-promoted drugs. In 1999 doctors wrote 34.2% more prescriptions than in 1998 for these drugs, while they wrote only 5.1% more prescriptions for all other prescription drugs. In addition, the US General Accounting Office

estimates that 8.5 million consumers annually request and receive from their physician a prescription for a particular drug in response to seeing DTCA.

The above data suggest that DTCA has an impact, and this evidence leads us to enquire into the reasons for this success. The persuasiveness of these ads would not per se be a critical problem. What could point to problems, however, are the data indicating that physicians are ambivalent about the treatment in half the cases in which they prescribe drugs requested as a result of DTCA, and that they prescribe the drug often because of the pressure felt, suggesting that the advertising may be inciting patients to seek and obtain a medication that is neither safer nor more efficacious.

Whatever the corporate motivation for the advertising, our interest in DTCA is the basis for its persuasive impact on consumers. In particular, we want to assess whether these ads present potentially misleading information that can lead to an overestimation of the value of the medicines advertised. We approach this enquiry by exploring the rhetorical strategies used in these ads and the way people process them. More specifically, we make use of argumentation theory as a critical tool for investigating the sources of potentially misleading information.

We report the results of a set of empirical studies examining the recognition by readers of the argumentative structure of pharmaceutical ads. We first provide an analysis of the argumentative structure of the ad and identify the specific dubious arguments it presents, using the framework provided by classical rhetoric and modern argumentation theory. We then report on our studies showing that the dubious arguments are both memorable and credible. We discuss the issue of the persuasiveness of DTCA, showing how readers can make wrong assumptions that, on the one hand, seem to arise independently from the contents of the ads, and on the other hand can promote a fallacious elaboration of the quality of the medicine advertised. The critical policy problem raised by this analysis is that prominent forms of argumentation used in DTCA, in effect, shift the burden of proof for the likely efficacy of the drug for the reader from the advertiser to the reader. Because of the potential deleterious health, as well as economic, effects of inappropriate use of pharmaceuticals, the use of these argumentative strategies could be inappropriate.

### "Analysis of the Regulatory Environment for Direct-to-Consumer Prescription Drug Ads: A Case Study of Vioxx"

*Connie Pechmann, University of California, Irvine*

The USA is the only country that permits direct-to-consumer (DTC) advertising of prescription drugs, and the practice is controversial even here. The U.S. Food and Drug Administration (FDA) regulates prescription drug advertising and labeling, and the FDA's Division of Drug Marketing, Advertising, and Communications (DDMAC) implements those regulations. The FDA Modernization and Accountability Act (1997) authorizes the FDA to collect uses fees from pharmaceutical firms. User fees are used in part to fund the FDA review of prescription drug advertising and labeling. User fees are authorized in 5 year increments so a new authorization is expected in Fall 2007. Hence, significant FDA reforms are expected to occur in the near future.

Consumer groups are concerned that the FDA's review of prescription drug advertising may be inadequate and are demanding greater FDA oversight. The U.S. General Accounting Office or GAO (2002) has characterized the FDA oversight of prescription drug advertising and labeling as "limited" (GAO 2002, page 21). A 2007 Institute of Medicine report on the FDA's oversight of prescription drugs and advertising is also highly critical of the agency.

In response to demands for reform, the FDA has proposed significant changes for 2007 and beyond. In particular, the FDA has proposed an increase in user fees, so that it can conduct quicker reviews of prescription drug DTC TV ads and can review each ad prior to airing. The industry has agreed to pay higher user fees to obtain this service and has pledged to submit each DTC TV ad prior to airing. The industry wants the FDA to review its advertising prior to airing, in part to help protect it from law suits involving failure to warn and consumer fraud.

This reform assumes that the FDA has devised an effective method for reviewing prescription drug advertising and labeling, and that it simply lacks resources to conduct the reviews. This paper assesses the validity of that critical assumption and examines whether the FDA's review of prescription drug advertising and labeling should be expanded in scope, when user fees are increased as expected, to ensure the FDA's review is thorough and protects the public from false or misleading advertising and labeling. It appears that no prior paper has addressed this issue.

The FDA's DDMAC division reviews advertising directed at consumers and/or physicians, including "advertisements in published journals, magazines, other periodicals, and newspapers, and advertisements broadcast through media such as radio, television, and telephone communication systems" (CFR 202.1.l1). DDMAC also reviews promotional labeling including "brochures, booklets, mailing pieces, detailing pieces, file cards, bulletins, calendars, price lists, catalogs, house organs, letters, motion picture films, film strips, lantern slides, sound recordings, exhibits, literature, and reprints and similar pieces of printed, audio, or visual matter descriptive of a drug and references published" (CFR 202.1.l2). FDA regulation CRF 202.1 enumerates the regulatory standards for prescription drug advertising and labeling. The general principles are: (a) must provide full and complete disclosure, (b) cannot be false or misleading, (c) must provide a fair balance of benefits and risks, and (d) must be consistent with the FDA approved drug label.

However, the FDA does not routinely review the following classes of materials that are used in pharmaceutical firms' promotional campaigns: (a) Marketing plans and strategies, (b) Marketing scripts used by sales representatives when detailing physicians, (c) Direct mail letters sent by firms in response to physicians' medical queries, and (d) Marketing research about the campaigns (e.g., tracking). The paper will discuss the pros and cons of an FDA review of each class of material. The following specific issues will be addressed:

1. Why doesn't the FDA currently review these classes of materials, that is, how does the FDA interpret its regulations and how has the agency's interpretations led to loopholes?
2. Are the nonreviewed and reviewed materials likely to contain the same or different information, that is, are they samples from the same or different populations?
3. Is it feasible for the FDA to review each class of nonreviewed material, and would the benefits outweigh the costs?

The FDA has also proposed new rules that would serve to increase the weight of DDMAC reviews in state and federal law suits. This paper will address those new rules too. Do we want FDA DDMAC reviews to continue to focus a subset of promotional materials with strong emphasis on DTC TV ads? Will that approach adequately protect public health and safety?

This paper will feature a case study involving the large pharmaceutical firm Merck and its marketing of the prescription

pain reliever Vioxx. Vioxx was sold in the USA from 1999 to 2004. Vioxx was withdrawn from the market based on studies indicating it causes heart attacks. The first study showing a potential heart attack risk for Vioxx appeared in 2000. In September of 2001, the FDA sent Merck a warning letter alleging that aspects of Merck's promotional campaign for Vioxx were "minimizing" that study's findings and were "false or misleading" because the firm "misrepresents the safety profile for Vioxx." The FDA required Merck to send correction letters to health care providers who had attended conferences in which false or misleading promotional messages for Vioxx were disseminated.

The author of the current paper obtained the Vioxx advertising and labeling materials while serving as an expert witness for plaintiffs in Vioxx law suits. This paper will examine promotional materials for Vioxx that were and were not submitted to the FDA's DDMAC division for review from 2000 to 2003. The review will assess similarities and differences between the materials that were and were not submitted to the FDA and apparent consistencies or inconsistencies with the FDA standards, using the 2001 FDA warning letter and correction letters as standards. After the April 2003 Vioxx label change that included information about Vioxx's heart attack risk potential, the Vioxx product label will be used as the standard. The aim of this case study is not to draw conclusions about whether Merck's promotional campaign was or was not misleading or deceptive in terms of conveying information about Vioxx's heart attack risk potential. Instead, the aim is to describe the contents of the advertising and labeling materials that were and were not submitted to the FDA to address the issue of whether the FDA might in the future want to review some categories of materials it currently does not review on a routine basis.

### "Motivating the Pharmacist-Client Relationship: An Integration of Stages of Change to Relationship Development"

*Chiara Maniscalco, Universita della Svizzera Italiana*
*Kim Daniloski, Virginia Tech*
*David Brinberg, Virginia Tech*

Pharmacists' role in the health care setting is shifting from product-oriented to patient-oriented, with the goal of understanding and caring for clients. To date, much of the communication between pharmacists and clients has focused on the use and value of prescription drugs to treat various medical conditions. However, the re-professionalization to a more patient-oriented role has created a need for pharmacists to identify areas where they can intervene to enhance the quality of patient care and perform their services with a particular focus on client needs. At the same time, clients need to learn how to use pharmacists as a new source of information. Given the rising complexity and costs of health care, the role of pharmacists as primary health care providers will become essential. As a consequence, research needs to examine strategies to improve the communication between pharmacists and their clients to make the information exchange more patient-oriented and focused on client needs.

Clients' acceptance of pharmacists' messages depends on the level of trust clients have in their pharmacists: in other words, acceptance depends on the stage of the pharmacist-client relationship (e.g., developmental stage of the relationship; mature stage of the relationship). The literature does not contain recommendations on strategies that can help pharmacists develop and maintain relationships with their clients.

In the following research, we develop and evaluate a theoretical model that examines the stage of the pharmacist-client relationship and applies the strategies identified in the stage of change

model to motivate a change in that relationship. We assess whether these strategies increase trust in the pharmacist and in subsequent interactions with the pharmacist concerning health needs.

We approach our research by integrating observational methods (in-depth interviews with pharmacists, survey methodology) with a field experiment to develop and evaluate our theoretical model.

Data were collected from over 1,000 clients from over 40 pharmacies in the Italian-speaking canton (Ticino) in Switzerland. In the initial phase of this research, we conducted in-depth interviews with pharmacists in Canton Ticino to identify the ways in which they currently interact with their clients and the strategies they use to strengthen that relationship. Based on the information from these interviews, and previous models developed in the relationship marketing literature, we identified three key constructs that influence trust in the pharmacist: perceived expertise of the pharmacist, perceived benefits of the pharmacist-client relationship, and the stage of the pharmacist-client relationship. We viewed the stage of the relationship as both a predictor of trust and as a moderator of the perceived expertise and perceived relational benefits–trust relationship.

All the main effects were significant predictors of trust. More interestingly, the stage of the relationship moderated the relations between the other predictors and trust. Specifically, we found perceived relational benefits and perceived expertise had a stronger effect on trust in the developmental stage of the relationship and neither had a significant impact on trust in the more mature stage of the relationship.

Based on this finding, we hypothesized that stage appropriate messages were more likely to increase client trust. We then conducted a field experiment in which we created two types of messages–one that focused on perceived relational benefits and perceived expertise and a second that focused on a standard message communicated by the pharmacist. We identified 9 pharmacies and randomly assigned them to either the control group (no message), the standard message group, or the experimental message group. We measured trust four months after the client received the message.

Contrasts of the simple main effects at the developing stage of the relationship revealed that the experimental message resulted in significantly higher levels of trust than both the standard message and the control group (t=2.2; p<.05 and t=3.9; p<.01, respectively). The standard message's impact on trust was also significantly higher than the control group (t=2.2; p<.05). None of the simple effects were significantly different at the mature stage.

In contrast to the papers presented by Nakamoto and Pechmann, the approach used in this study to examine the communication of health information focused on the dynamics/interactions of the pharmacist-client relationship. We will contrast and then discuss some of the implications of using this more dynamic, dyad-oriented approach to the communication of health information.

Symposia Summary
# Social Contagion Effects in Marketing
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## SESSION OVERVIEW

A key goal of consumer research is to better understand how consumers are impacted by interpersonal phenomena. For instance, how might enjoyment of a movie be affected by having a friend watch it with you? Does observing your friend's responses affect your own? How might a shopper be influenced by a salesperson's subtle nonverbal behaviors? These and other social contagion issues have been under-researched in our field. However, emerging research in social psychology demonstrates that social behaviors and emotions are contagious (e.g., Aarts, Gollwitzer and Hassin 2004; Hatfield, Cacioppo and Rapson 1994). We spontaneously yawn when we see others yawn, express sadness when watching sad movies, and adopt regional accents when on vacation. Moreover, social contagion has been linked to important interpersonal consequences. For instance, mimicking others cultivates rapport (Chartrand and Bargh, 1999), and people adopt the emotion associated with the facial expressions or mannerisms that they have mimicked (Neumann and Strack 2000). This session integrates and builds on this literature by elucidating how consumers can be influenced by our nonconscious and unintentional tendency to "catch" from our social surroundings the behaviors and emotions we observe.

This symposium's broad purposes are to illuminate how social contagion research can broaden our understanding of consumer issues, and to advance theory by delineating the affective, cognitive and behavioral processes at play in social contagion effects. In doing so, we identify several new dimensions to social contagion phenomena and add new insights about social influence to the domains of charitable giving, consumption experiences, and self control. Specifically, we will show how the emotions expressed in persuasive charity appeals cause emotion contagion that in turn influences charitable giving (Small and Verrochi). We will also demonstrate how behavioral and emotional contagion lead to a sense of long-run connectedness that predicts evaluations of shared consumption experiences (Ramanathan and McGill). Finally, we will show that disrupting behavioral contagion during an interaction makes the interaction more taxing, which impairs self-control on other tasks (Dalton, Chartrand and Finkel).

### Contribution

The papers in this session explore consumer issues through the lens of nonconscious behavioral and emotional contagion. To this end, they elucidate: *(a)* the psychological processes at play, whether cognitive, affective or behavioral, *(b)* the conditions that facilitate and impede these processes and the boundary conditions thereof; and *(c)* the prevalence of contagion effects in different domains and across multiple research paradigms.

The paper by Small and Verrochi shows that an important predictor of both the propensity to donate to a charitable cause and the size of the donation is the facial expressions of victims in the charity's persuasive appeals, as consumers nonconsciously catch the emotion conveyed by these facial expressions and different emotions differentially impact donating behavior. Sad expressions evoke sadness and sympathy, which translates into the greatest charitable response. In addition to this direct effect of emotion contagion on sympathetic responses, the authors demonstrate that supplementing a victim's picture with sad information evokes sadness sufficient to eliminate the social contagion advantage.

The paper by Ramanathan and McGill manipulates whether two people can or cannot observe each other during a consumption experience and explores the effect of behavioral and emotional contagion on evaluations of the experience. Using a continuous joystick measure of ratings of the experience and cross-spectral analyses of the resultant time series, they find that the evaluations of people who can observe each other synchronize over the long run. Moreover, the coherence of peoples' evaluations can be predicted from the amount of facial and behavioral mimicry during the consumption experience. Finally, the authors show that coherence predicts retrospective evaluations of experiences over and above the peak and end affect.

In the final paper by Dalton, Chartrand, and Finkel, behavioral contagion (here, mimicry of an interaction partners' nonverbal behavior) is manipulated rather than measured to explore how an interaction partner is affected by well- or poorly-coordinated nonverbal behavior. The authors find that whether or not interaction partners are coordinated behaviorally can impact success at self-control, an effect that is attributed to schema-violation. According to the authors, schema-consistent patterns of mimicry preserve regulatory resources, while schema-inconsistent patterns of mimicry deplete these resources. Consequently, in most social interactions, the absence of mimicry will make an otherwise-efficient interaction more taxing and thereby impair self-control.

This symposium sheds new light on social contagion processes, an emerging field of inquiry which has previously been neglected in consumer contexts. The papers implicate social contagion processes in consumers' judgments and behaviors, and examine contagion both in terms of emotion expression and nonverbal behaviors. They demonstrate that social contagion processes can influence individuals through affective and cognitive routes and that these effects can manifest in diverse domains of consumer behavior. Moreover, the papers each provide distinct conceptual and methodological contributions, triangulating on the effects of social contagion through innovative manipulations and procedures.

## EXTENDED ABSTRACTS

### "The Face of Need:  Reactions to Victims' Emotion Expressions"
*Deborah A. Small, University of Pennsylvania*
*Nicole M. Verrochi, University of Pennsylvania*

Victims are pictured on charity appeals to elicit the emotions thought to engender prosocial behavior. Research on this identifiable victim effect (Small and Loewenstein 2003) and the relative advantage of vivid over pallid information (Nisbett and Ross 1980) supports that notion. Pictures do evoke emotion; however, the emotional response might depend on the nature of the picture. Certain picture attributes might more effectively appeal to sympathy than others.

Facial expression of emotion is an important feature of person pictures. Faces on charity appeals display a variety of emotions. To examine what charities are actually doing, we coded all website homepages of human-need charities rated Exceptional (Four Stars) by a nonprofit charity evaluator, www.charitynavigator.org (N=363). From this set, 284 included a person picture and happiness was the

most common expression on their faces (37.5%). In contrast to expressions of happiness, 8.3% portrayed a person expressing sadness, 9.6% expressed neutral emotion, and the remaining images portrayed more than one victim whose expressions were not matching. This suggests that charity marketers either do not have a common theory about how emotion expressions matter, they simply have not thought about it, or they do not consider it an important determinant of prosocial behavior.

Although there is a large body of research on *experienced* emotion and prosocial behavior (see Carlson and Miller 1987 for a review), we know of no study isolating the impact of emotion *expression* on prosocial behavior. This gap is noteworthy because of the need to understand responsiveness to charity appeals, which often feature photos of victims. Thus this paper's primary contribution is to provide insight about how emotion expressions on a charity appeal influence charitable giving.

Psychological research highlights the critical role that emotion expression plays in interpersonal coordination. According to emotional contagion theory (Hatfield et al. 1993), people express and feel emotions that are similar to and influenced by those of others with whom they are in contact. Emotional contagion has been characterized as a primitive form of empathy. Indeed, research has shown that "catching" another person's feelings by responding to their facial expression happens automatically and outside of awareness.

Our theoretical framework builds upon emotion contagion theory by positing that people catch the feelings expressed in images of victims. Therefore, viewing a sad-faced victim should elicit feelings of sadness and viewing a happy-faced victim should elicit feelings of happiness. It also draws on findings about mood and helping (Carlson and Miller 1987; Clark et al. 1987) and on hot-cold empathy gaps (Van Boven and Loewenstein 2003) to put forward the notion that feeling sad allows for greater empathy with and sympathy for those who suffer. Consistent with this, sad faces should elicit higher levels of sympathy and greater donations than a neutral or happy face. Finally, we posit that because emotional contagion is a primitive and automatic process, it can be overridden by more conscious forms of thought, such as what might be deduced from other information on the same charity appeal. Thus, other information on the appeal could moderate the impact of facial expression. The studies we present test aspects of this framework and demonstrate the mediating role of emotional contagion and the moderating role of other information on prosocial behavior.

The three studies in this paper empirically tested the components of our proposed theory. Study 1 demonstrated that the emotional expression of a victim pictured on a charitable appeal systematically changes both propensity to give and the nominal donation amount, with sad expressions eliciting greater donations than happy or neutral expressions. After we established this phenomenon using actual donations, studies 2 and 3 employed psychological measures of sympathy to elucidate the possible mechanism. Study 2 replicated study 1's results with measured sympathy and demonstrated that participants' emotional states converge with that of the pictured victim, supporting the role of emotional contagion. Study 2 also established that in line with hypothesis 2, participants' reported emotional state mediates the effect of victim emotion expression on sympathy. Finally, study 3 built upon the findings of studies 1 and 2 by examining the moderating role of information through manipulation of an informational component in the appeals. Here we find that when sympathetic information accompanies the picture of a child, the effect of emotion expression disappears. Together, these studies illuminate the process by which photographs of victims can systematically influence sympathy and prosocial behavior.

This research draws attention to a sympathy-generating attribute of charity appeals that has been neglected both in theory and practice. To our knowledge, it is the first attempt in the literature to isolate the impact of emotion expression on prosocial feelings and behavior. In practice, charities usually do not portray victims expressing sadness. Our findings suggest that they should.

## "Consuming with Others: Social Influences on Moment-to-Moment and Retrospective Evaluations of an Experience"
*Suresh Ramanathan, University of Chicago*
*Ann McGill, University of Chicago*

Much of the work on affective experiences has focused on individual consumption and has centered on understanding the relationship between moment-to-moment affect felt by an individual over the course of an experience and the person's overall assessment of the experience (e.g., Fredrickson and Kahneman 1993; Redelmeier and Kahneman 1996). According to this stream of research, global evaluations of the experience can be predicted by two key moments in that experience, namely, the peak and the end affect felt by the consumer. These studies do not however consider what might happen to an individual's liking of the experience if there is someone else present and sharing the same experience.

In this paper, we examine how shared consumption of an experience may alter both the moment-to-moment affective reaction and consumers' overall retrospective evaluations of the experience. We suggest that global evaluations are influenced not just by the individual's own peak or end affective states but also by the degree to which the individual feels connected or entrained with another person sharing the same experience. In our first study, we examine one moderating variable–whether or not people can observe each other's expressions while going through the experience. Participants were either paired or alone while watching a popular comedy show on two adjacent computers. We manipulated observability for the pairs by using a tall or a short partition between the two computers. Online ratings were collected every second via a joystick. A cross-spectral analysis was run on the resultant time series (420 data points per individual), to determine how people move together in their ratings at various frequencies. This measure, called coherence, was found to be higher among people who could observe each other's expressions, suggesting that their ratings covaried with each other over the long run. This coherence, in turn, was found to independently predict the joint evaluations of the experience by both members of the pair, over and above the individuals' own peak and end affect.

In order to understand the processes underlying these effects, we surreptitiously videotaped pairs of participants in a second study while they were evaluating a short humorous video clip. Half the dyads could observe each other's facial expressions and head movements while the other half could not do so. Images from the videotaping were routed through a split screen generator to a digital video recorder that recorded a split screen image for both participants that was subsequently analyzed moment by moment by independent raters. The raters coded for glances initiated by either participant, and the emotional expressions on each face. We then modeled each participant's emotion at a given time t as a function of the following: a) the content of the program at the given moment, expressed as the average emotion across all individuals except the focal person at that instant, b) the focal person's own past emotions, suitably lagged several time periods, and c) the effect of the other person, captured via three social processes, namely emotional contagion (own unreciprocated look at other's emotion at time t-1), impression management/self-presentation (other's unreciprocated look at own emotion at time t-1), and empathy/disconnectedness

(reciprocated looks observing matched emotions and mismatched emotions, respectively). We found strong evidence that for pairs who could observe each other, each of these social processes predicted a person's emotions after controlling for own past emotions and program content. Further, these processes also predicted the coherence emerging in the joystick evaluations, which in turn predicted joint retrospective evaluations of the experience.

In sum, our results support and explain a familiar sensation: consuming with others feels different. Watching a movie with a friend produces different moment-to-moment judgments and changes the basis on which the quality of the movie will later be judged. Specifically, our results show that sharing the experience with another person may cause the consumer's moment-to-moment evaluation to become more like that of the other person, though processes of emotional contagion. Further, this shared pattern of judgment emerges in a subtle fashion over a fluid, broad time frame and not over short periods reflecting local agreement in moment-to-moment evaluations.

### "The Depleted Chameleon: Behavioral Contagion and Self-Regulation"

*Amy Dalton, Duke University*
*Tanya L. Chartrand, Duke University*
*Eli J. Finkel, Northwestern University*

Interaction partners tend to mimic each other's nonverbal behaviors without awareness or intention to do so. But what happens when behavioral mimicry is absent or unexpected in a social interaction? For instance, what if a vacationer fails to adapt to regional variations in socially normative nonverbal behaviors, and stands too close to his interaction partner or speaks to loudly? Or what if a salesperson, overly eager to affiliate, deliberately imitates every behavior of every consumer with whom he interacts? How do these instances of poorly coordinated mimicry impact interaction partners? We propose that whether or not interaction partners are coordinated behaviorally can impact the self-regulatory resources needed for social interaction, which has downstream consequences for an interactant's ability to exert self-regulatory effort on other tasks.

The basic paradigm employed in this research is as follows. A research participant interacts with a research confederate who spends the duration of their interaction engaging in either mimicry or anti-mimicry (i.e., adopting either the same or different physical postures, mannerisms, and gestures as the research participant). The participant then completes a self-control task. In Experiment 1, we show that mimicry and anti-mimicry differentially impact regulatory depletion, whereby participants who are anti-mimicked exhibit less persistence studying for an upcoming test compared to participants who are mimicked. We further show that our mimicry manipulation can account for unique variance even among participants who previously engaged in a depleting affect regulation task. Experiment 2 shifts to the domain of eating behavior and adds a control condition to address whether anti-mimicry is in fact a source of depletion, or whether mimicry might be a source of self-regulatory replenishment. The results of this experiment support the hypothesis that anti-mimicry leads to self-regulatory depletion.

We conjectured that anti-mimicry tends to tax self-regulatory resources more than mimicry because anti-mimicry tends violate our implicit expectations and social norms for social interactions. If this is true, then both anti-mimicry and mimicry should be capable of depleting individuals depending on the norms for a given interaction. To test this, we compared depletion following same-race interactions versus interracial interactions. We reasoned that schemas for mimicry might differ in same-race versus interracial interactions in the same way that other nonverbal behaviors (such

as standing distance, eye contact, and smiling) tend to differ, and therefore, mimicry could be depleting in interracial interactions. Supporting our hypothesis, anti-mimicry impaired inhibitory control (measured via Stroop Task performance) following same-race interactions and mimicry impaired inhibitory control following interracial interactions. Interestingly, we also found that depletion was dissociated from self-reported liking of the interaction. That is, whereas interracial interactants were more depleting when they were mimicked, they nevertheless enjoyed mimicry more than anti-mimicry.

In a final experiment, the self-regulatory burden of anti-mimicry (in same-race interactions) was examined using a divided attention paradigm. Participants engaged in a signal detection task while simultaneously interacting with a mimicking or anti-mimicking confederate. Consistent with our previous findings, anti-mimicry impaired self-regulatory performance more than mimicry. Moreover, the performance difference between mimicked and anti-mimicked participants emerged almost immediately after the interactions began, suggesting that the self-regulatory costs of schema-inconsistent patterns of mimicry are both significant and immediate.

Using several different measures of self-control and different experimental methods, this research finds that social contagion processes are intimately linked to self-regulatory functioning and can therefore impact successful self-control. We propose that poor self-control in these studies stems from the violation of behavioral schemas relevant to a particular social interaction, and is not related to anti-mimicry *per se*, or to feelings of negativity in anti-mimicry interactions. These findings reveal that nonverbal behaviors so subtle that they are not consciously perceptible can deplete the resources required for successful self-control.

*References available upon request*

SYMPOSIA SUMMARY
# Feeling Mixed?
## Emerging Perspectives on Mixed Emotions and Consumer Responses
A. Peter McGraw, University of Colorado, Boulder, USA
Loraine Lau-Gesk, University of California, Irvine, USA

## SESSION OVERVIEW

The experience of oppositely-valenced emotions, referred herein as mixed emotions, include the happiness and sadness felt when one's child leaves home for college, the excitement and fear aroused when one rides a rollercoaster, or the anger and hope experienced when one protests war. Indeed, many important milestones (e.g. planning one's wedding; Otnes, Lowrey, and Shrum 1997) as well as everyday consumptive episodes (e.g. watching commercials or movies; Edell and Burke 1987; Larsen, McGraw, & Cacioppo 2001; Andrade & Cohen 2007) are marked by mixed emotional reactions.

The nature, frequency, and consequences of mixed feelings make up a growing area of research on emotional experiences. While the existence of attitudinal ambivalence, which forms a basis for understanding mixed emotions, is not in question (e.g., Priester and Petty 1996), the existence of mixed emotions has been hotly debated (e.g., Russell & Carroll, 1999). Research on mixed emotions, until recently, has been largely overshadowed by single-valenced emotional approaches. The existing research on mixed emotions and consumer behavior has typically examined attitudinal or behavioral consequences of mixed emotions aroused by ads (e.g., Williams and Aaker 2002), consumption experiences (e.g., Lau-Gesk 2005), and decision making (e.g., Nowlis, Kahn, and Dhar 2001). The research in this proposed session reveals the complex nature of mixed emotions and demonstrates the value in understanding a bivalenced approach to affect. The three papers in the session help to deepen our understanding of how people interpret and manage complicated emotional experiences that arise from consumptive experiences and emotional advertising.

The first paper by McGraw and Larsen investigates simultaneous mixed emotions comprised of happiness and sadness. Their work provides more direct evidence for the debate over whether people actually experience mixed emotions simultaneously. Although previous research has documented that positive and negative emotions could coexist, the evidence relied on participants' self-report of their emotional experience (Larsen, et al. 2001) and it is not clear whether the reports reflect a summary of emotional experience over a short period of time or whether the reports reflect concurrent experience of positive and negative emotions at the same point in time. The results from four studies provide clear evidence that people can feel happy and sad at the same time, and rule out common alternative explanations that reports of mixed emotions are due to artifacts of measurement, demand characteristics, or people's lay theories. In short, the paper provides a foundation that mixed feelings do exist, even for seemingly diametrically opposite-valenced emotions. The subsequent studies show conflicting emotions at play in reactions to emotional advertisements or in the generation of persuasive advertising appeals.

Kramer, Lau-Gesk, and Chiu examine the interplay between mixed emotions and "mixed cultures." Specifically, three studies reveal how differences in feelings of conflict about people's own cultural duality relate to their responses to ad appeals arousing both happiness and sadness. They found that mixed emotional experiences are associated with greater discomfort for biculturals who feel more (vs. less) conflicted about their cultural duality. When provided with coping frames designed to help resolve the discomfort associated with dual experiences, biculturals who feel more conflicted about their duality respond more favorably to a message that elicits mixed emotions. The resolution of the discomfort occurs because coping frames help conflicted biculturals resolve the discomfort with mixed emotions, and induce discomfort for biculturals who are at ease with their duality.

Finally, Wadhwa and Aaker study sequentially arising mixed emotions that begin with a specific negative emotional experience (e.g., anger, anxiety) yet, due to mood regulation behavior, may end with a specific positive emotional experience (e.g., gratitude, humor). Results of two studies indicate that when people are made to feel anxious versus angry, they are more effective at generating gratitude-based advertisements and gratitude-based taglines for greeting cards. In contrast, when participants feel angry versus anxious, they are more effective at generating humorous taglines for greeting cards.

Joe Priester will synthesize the three papers as the discussion leader. Priester's expertise is in persuasion and attitudes; he has a particular expertise in the area of attitudinal ambivalence, which serves as the theoretical foundation for work on mixed emotions.

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# EXTENDED ABSTRACTS

## "Midway Between the Two? The Case for Mixed Emotions"

*A. Peter McGraw, University of Colorado, Boulder*
*Jeff T. Larsen, Texas Tech University*

Philosophers and psychologists from Socrates to Hume to Wundt have debated the possibility of mixed emotions. The modern debate pits circumplex models of emotion, which posit that happiness and sadness are mutually exclusive (Russell 1980; Feldman Barrett & Russell 1999), against the evaluative space model, which allows for the co-activation of positive and negative affect (ESM; Cacioppo & Berntson 1994; Cacioppo, Gardner, & Berntson 1999).

We present four studies that address critiques of prior evidence of mixed emotions and support the hypothesis that people can feel happy and sad at the same time (see Larsen, McGraw, & Cacioppo 2001; Larsen et al. 2004). We rule out alternative explanations that our previous results are due to artifacts of measurement, participants' lay theories, or demand characteristics.

In previous research (Larsen et al. 2001), participants watched the tragicomedy *Life is Beautiful*, which depicts a father's often comic attempts to keep his son alive and unaware of their plight during their imprisonment in a World War II concentration camp. Participants were asked whether they felt 'happy' and whether they felt 'sad' either before or after the film. A significant proportion of respondents (44%) indicated mixed emotions after the film compared to before the film (10%). Similar results were obtained in field studies of first-year undergraduates moving out of their dormitory (54% vs. 16%) and seniors after their graduation ceremony (60% vs. 20%; Larsen et al. 2001).

Rather than judging their immediate experience, participants in previous studies may have summarized their emotions over time. To test this alternative explanation, Study 1 employed a button-press task that independently and continuously measures happiness and sadness during the film in a laboratory setting. Larsen et al. (2004) used the button-press procedure to show that people indicated mixed emotional reactions to wins that could have been better (i.e., disappointing wins) and losses that could have been worse (i.e., relieving losses). In this study, participants watched an emotionally complex film or a control film that were edited 20-minute versions *Life is Beautiful*. Sixty-seven percent of participants reported simultaneously mixed emotions during the emotionally complex film, which followed the original film's story line, whereas only eighteen percent indicated mixed emotions during the control film, which began as a comedy but abruptly switched to a tragedy.

Study 2 replicated the findings using an online affect grid (Larsen, Norris, McGraw, Hawkley & Cacioppo 2007; see also Andrade & Cohen 2007). Participants watched one of the edited versions of the film and moved a cursor throughout a two-dimensional grid to indicate whether they experienced happiness, sadness, neither happiness nor sadness, or both happiness and sadness. One axis was a scale of intensity for happiness that ranged from "not at all" to "extremely." The other axis was a scale of intensity for sadness that ranged from "not at all" to "extremely." Results of Studies 1 and 2 extend those of Larsen et al. (2001) by providing stronger evidence that people can experience simultaneously mixed emotions.

Another possibility is that participants report mixed emotions only because they are explicitly asked whether they feel happy and sad. In Study 3, we merely asked participants about their current emotions immediately after the control film or the emotionally complex film. Even with this open-ended style of questioning, participants spontaneously reported mixed emotions after the emotionally complex film. The pattern persisted even for respondents who had indicated several weeks prior to the experiment, as part of an unrelated survey, that they believed that people cannot feel happy and sad at the same time. The fact that these "skeptics" endorsed mixed emotions after the emotionally complex film rules out an alternative explanation that participants rely on their lay theories about mixed emotions when responding to the open-ended interview questions.

Study 4 used the same procedure as Study 3 to test possible demand effects by randomly telling some participants that the researchers did not expect to find support for mixed emotions, yet participants persisted in their endorsement even after receiving the bogus hypothesis information. To test if participants' responses were reactive to the experimenter's message, we included an additional condition where we told participants that the researchers expected to find support for mixed emotions, and mixed feelings were just as frequent after the emotionally complex film.

In sum, the present studies show that evidence for the simultaneous experience of happiness and sadness occurs A) when happiness and sadness are measured simultaneously, B) when participants believe a priori that people cannot experience mixed feelings, and C) without regard to the demand placed on participants by the experimental procedure.

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## "Managing Mixed Emotions: The Role of Biculturalism"

*Thomas Kramer, Baruch College*
*Loraine Lau-Gesk, University of California, Irvine*
*Chi-yue Chiu, University of Illinois, Urbana-Champaign*

Though research has very recently started to explore the emotional reactivity levels of biculturals as a result of their own cultural duality (Chao, Chen, Roisman, & Hong, in press), little is known about bicultural individuals' responses to mixed emotions.

Emotional ambivalence may arise from psychological conflict when values and practices of heritage and mainstream cultural groups are perceived to be too distant or in opposition (Benet-Martínez, Leu, Lee, & Morris, 2002), from the fluctuating responses from others (e.g., approached with intimacy and familiarity in one context and responded to with fear and distance by the same individuals in another context) depending on which cultural identity is salient in the context (Zaharna, 1989), or from intragroup conflicts among newly arrived and established cultural groups who settle within the same geographical area (Niemann, Romero, Arrendono, & Rodriguez, 1999). Work in cultural anthropology and sociology has found that psychological problems often arise when biculturals confront the conflicting demands of two cultures with disparate value and belief systems (LaFrombroise, Coleman, & Gerton, 1993). For example, Jones (1986) showed that biculturals reported feeling psychologically disturbed when they could neither avoid nor resolve the inconsistency between two conflicting messages. In short, managing dual cultural identities is major life task for biculturals. Accordingly, the current investigation focuses on bicultural expertise as the capability to manage bicultural identities and navigate smoothly between the demands of seemingly conflicting cultures.

Bicultural individuals' responses to mixed emotional experiences, and, in particular as tested here, evaluation of a message that elicits mixed emotions, is likely to depend on their bicultural expertise, as reflected in how much experience they have in dealing with, and how conflicted they feel about, their cultural duality. A distinction has been made between biculturals who integrate their two cultural selves and those who compartmentalize and alternate between them (e.g., LaFrombroise et al., 1993). Given that bicultural integrators often access both cultural selves simultaneously, integrators tend to have more experience and thereby training than alternators in managing cultural duality and its attendant ambivalent emotions, which may in turn lead to the development of a generalized competence in managing mixed emotions. Therefore, we predict that mixed emotional experiences are less likely to arouse discomfort in these individuals, who consequently tend to respond favorably to mixed emotional appeals in persuasion settings. Conversely, bicultural alternators change their behavior and cultural perspective to fit a particular social context (Ogbu & Matute-Bianchi, 1986). They use different problem solving, coping, human relational, communication, and incentive motivation styles according to cues embedded in the environment (LaFrombroise & Rowe, 1984; Rameriz, 1984). Presumably, alternators temporally access only one cultural self as a way to cope with the contradiction that may exist with being affiliated with two cultures with disparate values and beliefs (Kazaleh, 1986). Because bicultural alternators avoid dealing with their cultural duality, they have fewer opportunities to develop expertise in managing it. We therefore expect that mixed emotional experiences create discomfort for these individuals, who subsequently will have relatively less favorable attitudes toward messages with mixed emotional appeals. However, biculturals who have relatively lower levels of expertise in managing their cultural identities and who need to cope with discomfort-evoking mixed emotions are likely to appreciate it when a coping frame that helps them reduce the discomfort is provided.

A coping frame is a verbal assurance of the availability of opportunities and resources to resolve ambiguity and experience positive outcomes. Prior research has demonstrated that framing may help individuals cope with messages that give rise to feelings of discomfort (Braun, 1999; Millar & Millar, 2000; see also Gleicher & Petty, 1992). Furhter, Klayman and Ha (1987) show that framing in advertising can activate confirmatory hypothesis testing,

which in turn may alter the interpretation of product information, especially when the information is ambiguous (Hoch & Ha, 1986). In sum, interpretive frames could help resolve conflict and ambiguity, and thus be an effective coping tool for bicultural individuals who have lower levels of expertise in dealing with their cultural duality.

We tested our hypotheses in three studies. Study 1 (N=75) investigated attitudes toward an advertising appeal that elicited mixed emotions as a function of bicultural types (integrators or alternators) and availability of coping frames. Results show that a relatively greater degree of cultural conflictedness led to less favorable responses to a mixed emotional appeal. Additionally, we found that the presence of coping frames alleviates negative evaluation of a message that evokes mixed emotions among biculturals with relatively high levels of conflictedness about their duality. Study 2 (N=90) sought to replicate Study 1 results using acculturation exposure as a proxy for expertise in managing dual cultural identities and further examined the mediating role of felt discomfort in the relationship between acculturation history and responses to mixed emotional experiences. Finally, Study 3 (N=35) provided a direct test of the hypothesized relationship of bicultural types and acculturation exposure (both as proxies for expertise in managing cultural duality) with responses to mixed emotional experiences. Our research is discussed in light of recent research that has examined separately the dynamic nature of culture and mixed emotions.

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### "Anger Tickles Me: Emotional Energy Transfer from Anger to Humor"

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*"War continues in Iraq. They're calling it Operation Iraqi Freedom. They were going to call it Operation Iraqi Liberation until they realized that spells 'OIL.'"* –Jay Leno

Anecdotal evidence suggests that people often use humor as an overt expression of anger. For example, political satirists such as Jon Stewart, Jay Leno, and David Letterman present the most frustrating of political embarrassments in the garb of humor. Similarly, in the recent years, feminist humor websites have seen a tremendous growth. A belief that is becoming increasingly popular among the feminists groups is that they can best express their opinions using humor. The aforementioned examples give rise to an interesting question—could anger be translated to humor? Research on affect regulation seems to point to this possibility. Specifically, research in this domain suggests that people in a negative affective state engage in behavior that is expected to put them in a positive affective state. One implication of this research stream, therefore, is that the negative emotional states are malleable; they can be translated into more positive emotional states by engaging in mood-lifting behavior (Keltner and Bonanno 1997; Zillmann 1988). Despite the research in the domain of affect regulation or the aforementioned anecdotal evidence, there is relatively little understood about whether and how a specific negative emotion such as anger can be better translated to a specific positive emotion such as humor.

One goal of this research, therefore, is to address this issue by examining whether anger motivation can make one more effective on a subsequent humor based creativity task (e.g., coming up with creative humor based versus gratitude based advertising ideas). A second goal of this research is to examine why anger can be better translated to humor as compared to any other positive emotion (such as, gratitude). Specifically, we propose the underlying rationale for these effects is drawn from the match between anger and humor on two important dimensions— approach motivation and high arousal.

Research has supported the idea that anger leads to a high arousal, high energy state that can last for hours or even longer. Similarly, incongruity-resolution theory (e.g., Katz, 1993) suggests how a humorous situation or joke is characterized by high arousal (Apter and Smith 1977; Berlyn 1972). Based on the excitation transfer theory (Zillmann 1971), arousal contained in anger is likely to facilitate performance on a humor based creativity task. However, we argue that arousal alone is not sufficient for anger to be translated to humor. Another important factor that helps anger to be effectively translated to humor is the approach motivation associated with anger. Extant research suggests that the dominant response associated with anger is that of approach as compared to avoidance. Similarly, humor has been associated with approach motivation and is linked to action tendencies. Thus, we argue approach motivation associated with anger is imperative for the energy contained in anger to be effectively translated to humor.

To test our hypotheses, we created an experimental context using the cover story of two purportedly unrelated experiments, the first on Emotions and Life Events and the second on Advertising and Consumer-Generated Content. First, participants participated in an emotional event writing exercise, which generated either anger or anxiety, which is associated with avoidance motivation. In a purportedly unrelated study, participants were told that a beer company, Ohio Flag, was creating a new advertising campaign around the notion of "Humor" (versus "Emotion" as the control condition), and wanted to gather consumer-generated ideas for the campaign. Next, participants created ads using either humor or any emotion appeal for the Ohio Flag Beer brand. Ads were coded by two independent coders on how humorous the ad was (as well as a set of other emotions on a seven point scale; *1=not at all; 7=very much*). We predicted that anger (as compared to anxiety) should lead to funnier ads. In support, angry (vs. anxious) participants created more humorous ads. No significant differences arose for other emotions (*F*s<1). Moreover, when asked to use any emotion to create the advertisement (control), those in the anger as compared to anxiety condition were more likely to spontaneously use humor in the appeal. Thus, the findings of study 1 demonstrate that anger as compared to a negative emotion (such as, anxiety) associated with avoidance motivation appears to be better translated to humor.

The goal of experiment 2 was to garner generalize ability of this effect and provide support to our arousal based hypothesis. Specifically, if our arousal based mechanism is valid, angered subjects should be more effective on a task requiring humor as compared to gratitude, which is associated with low arousal. Thus, after an emotion (anger/anxiety) induction exercise, participants generated either humor based or gratitude based greeting card taglines. Again, two coders rated the taglines for the use of humor, as well as a set of other emotions, on a seven point scale (*1=not at all; 7=very much*). Consistent with study 1 results, angered (vs. anxious) subjects generated funnier taglines. Further, as predicted, those in the anger condition were more effective in coming up with the humorous taglines than gratitude-based taglines.

Together, these results suggest that a negative emotion such as anger could also be effectively used for creative purposes. The implications of these findings discussed with regard to the dynamics of emotions as well as emotion regulation and coping.

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# Health Communication and Consumer Action: Promise and Pitfalls

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## SESSION OVERVIEW

From news reports on the radio, television, internet, and magazines to focused health campaigns targeting susceptible groups, consumers are bombarded with health messages produced by ongoing medical studies, government agencies, for-profit health and insurance firms, and community and public health non-profits. A Google search of "health" produced 939,000,000 hits, "nutrition" produced 148,000,000 hits, and the specific phrases "health news" (6,140,000) and "health communications (651,000) produced a sizable number of hits. These numbers suggest that health messages are a fundamental part of the mosaic of communications consumers encounter every day and constitute a key component of campaigns designed to reduce morbidity and mortality. These numbers and other indicators also point to trends involving increased consumer responsibility for their own care and shifts in medical culture from paternalism towards informed consent. Despite these positive forces, most health communications produce low compliance and rather dismal results.

Most health communications are undertaken to alter consumer action. Conventional wisdom is that if health communications are sufficiently informative and persuasive (increasing knowledge, efficacy, or motivation), then appropriate action will follow. This session's papers challenge this wisdom. The first two papers sharpen our understanding of how to use health communication to alter consumer action; the second two papers point to important downstream problems occurring after consumers are motivated to act.

Anand Keller and Lehmann report a meta-analysis of 85 health communications studies. They find that message factors, not individual differences or context, dominate explanations of effectiveness. They also show important differences in effects on attitudes toward health behaviors and intentions to change behaviors that may critically influence whether we judge a campaign to be successful or not. Their research underscores the importance of conceptualizing and measuring consumer action (rather than simply consumer attitudes) as a key health communication goal. The second paper, by Anand Keller, extends this theme of the focal nature of consumer action by using mental simulation of health-promoting actions as a focus of intervention. She challenges the current idea that hope and confidence produce more preventive health behaviors and suggests that increasing consumer anxiety is more effective by producing higher need for action taken to regain control.

The third and fourth papers illustrate complementary difficulties in using health communication to alter action. Moorman, Luce, and Bettman argue that consumers may not always benefit from the evolving nature of health guidelines. As medical science sheds more light on the effect of healthy choices or treatment options, communications that initially advocate positive actions (e.g., take a vitamin supplement) but later reverse these suggestions may ultimately degrade consumers' view of health guidelines and decrease their likelihood of performing related health behaviors. Tanner shows that teens may provide inaccurate reports of actions related to risky behaviors when participating in the evaluation of community-based health programs. Inaccuracy is particularly problematic when teens are made aware of desirable health behaviors, when they believe their anonymity may not be protected, or when minimizing, not exaggerating, certain behaviors.

Looking across papers, we see several emerging questions regarding the promise and pitfalls of using health communications to alter health behavior: (1) Do health communications work in the short and long-term? (2) What types of message factors are most predictive of health communication effectiveness? (3) How does the choice of evaluation approach influence the results obtained from health communication campaigns?

## EXTENDED ABSTRACTS

### "Designing Effective Health Communications: A Meta-Analysis of Experimental Results"
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**Introduction**

The massive costs of health care (1.7 trillion and counting) as well as the problems posed by various diseases (e.g., AIDS, obesity, diabetes, mental illness) are well documented (Connolly 2004). People worry more about their personal health care costs than losing their jobs or being a victim of a violent crime or terrorist attacks (Gurchiek 2005). To reduce health costs as well as health-related stress, the emphasis is shifting to the promotion of prevention and detection behaviors. As a consequence, massive efforts to improve knowledge about detection, prevention, and treatment continue to be undertaken.

Unsurprisingly, numerous studies have assessed the impact of different communication strategies (e.g. level of fear arousal or framing) on subjects' attitudes toward and intentions with respect to various health behaviors. However, the large number of studies and the variability of the findings suggest a quantitative synthesis of this area would be beneficial. The purpose of this paper, therefore, is to assess the current state of knowledge in the field via meta-analysis. In particular, we wanted to identify the context, message and individual factors that increased attitudes and intentions to comply with the recommended health behaviors. For that purpose, we conducted a meta-analysis on data reported in 85 published and unpublished articles in the consumer research, psychology, health, and communications literatures.

**Overview of the Study**

We examined studies that measured the effectiveness of health communications by assessing attitudes towards the recommended health behaviors and/or intentions to comply with advocated health behaviors. Twenty-two study characteristics reported in the 85 papers were identified as potential determinants of attitudes and intentions in response to health communications. These characteristics were divided into three categories: (i) Context (3 types), (ii) Message (14 types), and (iii) Individual differences (5 types). The results indicate a variety of message factors can be used to enhance attitudes, e.g., base (i.e., statistics) or case (a story about a real or fictitious individual) information, an emotional appeal, and strong arguments for why one should undertake the advocated health actions. Some of the most influential variables for increasing

intentions are case information, emphasizing social consequences (e.g., effect on loved ones), and advocating detection behavior. Intentions also depend on a number of context and individual differences including high perceived severity, response efficacy, and self-efficacy. Looked at more closely, the results have some interesting aspects which bear further discussion.

### Results: Attitudes versus Intentions

Results indicate that message factors explain more of the variance in attitudes than context characteristics or individual differences. By contrast, message factors explain about the same variance in intentions as individual differences and both explain more than context factors. Put differently, while message factors are more important than individual differences which in turn are more influential than the context factors we studied, the relative impact of message factors is greater for attitudes than intentions. In general, we seem to have more control over attitudes than intentions. Message communications are key to attitude formation, but individual and context differences compete with message factors in determining intentions to comply with the message recommendations.

Importantly, with one exception (the use of cases or stories), the five characteristics that best explain attitudes do not overlap with the five factors that most influence intentions. People seem comfortable forming positive attitudes towards healthy behaviors, but their intentions are lower when faced with these choices. Not surprisingly, lab studies are associated with more positive attitudes but lower intentions. While several message factors have a significant effect on attitudes or intentions, only three have similar effects (case information and multiple exposures have positive effects, using a male communicator has a negative effect).

Why might someone have positive attitudes toward the behavior yet not form intentions to comply with the behavior? According to the Theory of Reasoned Action (TRA), intentions are a function of attitude toward the behavior and subjective norms or social pressures regarding the performance of the behavior (Fishbein and Ajzen 1975). However, the TRA is based on the assumption that humans act rationally and that the behavior is under complete volitional control of the individual. In practice, however, individual differences (e.g., ability, motivation, knowledge, emotions) and context factors (e.g., social support, convenience) undermine volitional control (van Hooft et al. 2005).

Although attitudes and intentions have been disconnected in the past literature (Chandon, Morwitz, and Reinartz 2005; Chatzisarantis et al. 2004), our findings that attitudes and intentions have different antecedents is news. One explanation may be that health recommendations can result in conflict between health and non-health goals. For example, use of sunscreen may be viewed as an effective way to reduce the risk of skin cancer, but negatively related to looking attractive with a tan. Similarly, eating fish may be positively related to a health goal, but negatively related to the comfort goal met by meat loaf. Our findings also suggest that intentions may reflect tradeoffs across health and other behaviors, whereas attitudes may be formed in the context of a particular health behavior. In particular, the finding that self-efficacy influences intentions, but not attitudes, suggests that even if response efficacy is high, people are not willing to consider undertaking the behavior if they don't believe they can. They may, however, compensate by engaging in other behaviors related to health or even more abstract goals. For example, a poor diet may be compensated for by increased exercise and/or volunteer work to meet the goal of making one feel good about oneself.

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### "The Role of Need for Control in Effective Health Communication"
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### Introduction

Several goals may drive the design of health communications. However, more often the underlying purpose is to enhance prevention, detection and/or remedial behaviors. This paper examines the effectiveness of message frames for influencing preventative health behaviors among people who would like to, but cannot change their behavior. The framing literature indicates that a negatively-framed message is likely to lead to more favorable attitudes than a positively-framed message when it is uncertain that the recommended behavior will lead to the desired health outcome (Rothman and Salovey 1997). For example, a negatively-framed mammogram message (e.g., if you don't get a mammogram, you will not detect breast cancer early) will lead to more favorable attitudes towards mammograms than a positively-framed message (if you get a mammogram, you will detect breast cancer early) when it is uncertain mammograms are an effective means of detecting breast cancer (Block and Keller 1995; Meyerowitz and Chaiken 1987; Rothman et al. 1993). These findings suggest the differential advantage of negative over positive frames on behavior is rather limited since one is unlikely to get a mammogram if they are perceived as relatively ineffective. The literature also sends mixed messages for choosing message frames for prevention behavior if the audience is highly involved. On one hand, positive frames are recommended over negative frames for prevention behaviors (Rothman and Salovey 1997). On the other hand, negative frames are recommended over positive frames when people are already concerned about the issue (Maheswaran and Meyers-Levy 1990).

This study seeks to answer two questions: What is the effect of frame on behavior, especially for prevention behaviors among involved audiences? And other than uncertainty or low response efficacy, is there an alternative mediator to understand the message frame-behavior relationship in this context? The literature on emotion-based appraisal is used to predict that anxiety-producing negative frames result in more healthy preventative behaviors than hope-inducing positive frames because negative frames increase need for control (Raghunathan and Corfman 2004, 2006; Roseman Wiest, and Swartz 1994).

**Study and Results**

This hypothesis was tested in three experiments. Each of the experiments was divided into three phases. In phase 1, participants were exposed to a framed health message encouraging behavior change. In phase 2, participants were given an opportunity to engage in the behavior. Extent of planning and behavioral compliance was measured in phase 3. All three experiments used undergraduate participants who wished a-priori to reduce alcohol consumption, but stated they could not meet this goal.

Results support the premise that need for control mediates the relationship between message frames and prevention behavior among audiences with unfulfilled goals. The findings also demonstrate that messages that produce anxiety and enhance need for control are more effective than messages that evoke hope. Effectiveness is measured by self-reports on pre-behavior measures (extent of planning), behavior (alcohol use) and post-behavior measures (productivity and extent of control over future alcohol use).

The findings also address the role of behavioral recommendations and consequences in framed health communications. Most of the extant health communications focus on health consequences rather than detailed action steps. The present findings indicate that this message format will be effective as long as the health message enhances need for control. However, unaided planning is unlikely when the audience is not motivated. In these cases, it might be more effective to include detailed action steps (experiments 1 and 2). Together these findings suggest that the "if" aspect of message frames (action steps) may be more valuable than the "then" aspect (consequences).

Results highlight the mediating role of need for control. However, the need for control may be satisfied by the situation rather than personal control. Gollwitzer (1999) suggests that implementation planning often transfers control from the individual to the situation. For example, taking vitamins at noon transfers the control from the person to the situation (noon time). One inference from our results is that hope may prompt relinquishment of personal and situational control, thus explaining the absence of planning and behavior change. Future research is needed on the relationship between feelings and multiple dimensions of need for control.

The premise that feeling hopeful is not an effective means for goal attainment is not necessarily at odds with the view that self-efficacy or one's perceived ability to perform the advocated behavior successfully is the key predictor of behavior change (Ajzen 2000; Bandura 1982; Keller 2006; Maddux and Rogers 1983). The present study suggests that the influence of efficacy beliefs on attitudes versus behavior may depend on the specificity of the belief. One may be confident that one can quit smoking, but may have more doubts about specific action steps such as increasing food intake in response to increased hunger, wearing a patch, taking fewer breaks from work etc. According to this view, perceived ability to undertake specific action steps may be better predictors of behavior than general feelings of feeling confident.

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**"Evolving Health Guidelines: How Do Consumers Fare While Science Marches On?"**

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**Introduction**

Scientific advances in healthcare present important opportunities for disease prevention and treatment, but reaping the full benefit of these advances is often complicated by consumer reactions. The press is replete with reports of medical researchers gaining new insights into the effects of preventive health behaviors such as exercise, vitamins, cancer screening, and food consumption and the effects of alternative medical treatments (e.g., prescriptions, surgical procedures, mental health regimens). As science advances, preventive guidelines must evolve— sometimes even contradicting prior guidelines. Such advancements are vital to health care improvements. However, consumers adopting health guidelines may be resistant to change; the evolving nature of guidelines may influence adopters' confidence in recommendations and their willingness to adopt them. From the individual consumer's perspective, evolving guidelines on mammography, HRT, or nutrition, for example, may have unintended and unfortunate outcomes, including losing faith in guidelines, avoiding any proactive approach to healthcare, and feeling hopeless. In short, consumers may feel that evolving guidelines give them a reason to ignore even well-validated preventive health behaviors.

We examine the effect of evolving health guidelines on consumers' reactions to the information in the guideline and on two critical "spillover" outcomes—consumers' faith in health guidelines in general and consumers' intention to perform related health behaviors not specified as part of the guideline. We predict that consumers will have a positive reaction to initial new guidelines in

an area and that such initial guidelines will appropriately affect intention to monitor the behavior noted in the guidelines. However, in the presence of updated scientific information that changes the guideline, we predict that consumers may be less positive. Specifically, we predict consumers will react differently to two types of changing guidelines. The first type, positive-negative, first recommends a behavior for its positive impact but then, in the update, suggests that new research has identified a negative impact for the same behavior. The second type, negative-positive, suggests the opposite and is likely to be less upsetting for consumers. Consistent with work on omission bias (actions are judged more harshly than normatively equivalent omissions, Spranca, Mintz, and Baron 1991) and betrayal aversion (particularly strong emotional reactions when a protective action turns harmful, such as when airbags mandated for automobiles actually hurt occupants, Koehler and Gershoff 2003) we expect consumers to react particularly negatively to being told they should adopt an ostensibly positive behavior, only to be later told that the behavior is in fact negative or harmful. As science marches on with positive-negative updates, we predict that consumers will form negative impressions of the information-value of health guidelines overall and that they will also be less likely to perform unrelated spillover health behaviors.

**Study and Results**

We test our ideas with health information presented through mock newspaper articles. In our study, we formulated guidelines regarding use of pyridoxine (vitamin B6) as a nutritional supplement. An adult community sample initially read either "positive" information supporting use of the supplement or "negative" information warning of dangers of overuse. In both cases, pyridoxine was described as having an effect on the heart (e.g., negative-dangerously irregular heart beat, which can increase the likelihood of fatal heart disease). Half the participants responded to dependent measures after this initial information. The other half was presented with information reversing their initial guideline (e.g., half of the sample who initially read positive information was subsequently told that this information had been revised to be negative, suggesting dangers from overuse. Thus, our design manipulated (between-subjects) the valence of the initial guideline (positive action towards pyridoxine versus negative information suggesting avoidance) and the presence or absence of a reversal. Finally, a control group indicated intentions in the absence of a specific guideline regarding pyridoxine; they were told only that it had recently been covered in the press.

Relative to control, groups receiving a pyridoxine guideline at time 1 reported a positive emotional reaction to the presence of the guideline and an increased likelihood of monitoring pyridoxine levels. However, upon receiving updated guidelines, either negative-positive or positive-negative, consumers reduced intention to monitor pyridoxine, even though the guideline would suggest, from either a positive or negative perspective, that it would be helpful. Most importantly, we found a backlash spillover effect concentrated in those participants who were initially instructed to increase pyridoxine usage (positive) and later were told that they should decrease usage (negative). These participants reported reduced faith in health guidelines in general and also reduced intentions to engage in unrelated heart-healthy behaviors (e.g., cholesterol monitoring, blood pressure monitoring). Specifically, these participants show lowered evaluation and intention behaviors as compared to the negative-positive change group and to the no-change and holdout control groups. Thus, we have isolated one particular type of backlash to guideline change.

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**"Evaluating Health Communication Effectiveness: Truth-Telling and the Measurement of Adolescents' Sexual Activity"**
*John F. Tanner Jr., Baylor University*

**Introduction**

Although federally-sponsored health campaigns are increasingly required to demonstrate impact (e.g., Community-Based Abstinence Education (CBAE) grants require 15% of the budget to be spent on evaluation), evaluations of such campaigns may be fraught with biased responding. Participants' accuracy in reporting health-risk behaviors is particularly problematic. One study found that 25% of male middle school students, compared to 15% of girls, overstated their sexual experience (Seigel, Alen, and Roghmann 1998). Rosenbaum (2006) also noted systematic patterns of inaccurate responding in the National Longitudinal Study of Adolescent Health. Teens who pledged abstinence were more likely to recant their sexual history, claiming to be virgins in the post-pledge survey in spite of reporting being non-virgins in the pre-pledge survey.

We use self-evaluation maintenance (Tesser and Paulhus 1983) and impression management (Paulhus 1984) theories to explain when, to what degree, and in what direction teen subjects may lie when reporting the health-risk behavior of teenage intercourse. In this case, self-identity may be tied up with the risky behavior. Health campaigns require comparing self to a recommended behavior, which can lead to lying if comparisons are negative (Tesser and Paulhus 1983; Argo, White, and Dahl 2006). Impression management, however, suggests that subjects may sometimes cope by hiding their identity on post-campaign evaluations.

**Experiments**

Three experiments were conducted using data from two saturation health campaigns promoting abstinence via in-school programming and multi-media advertising. In all experiments, subjects were exposed to campaigns promoting sexual abstinence in class and via multi-media advertising.

The goal of study 1 was to determine the degree to which identity protection occurs when presented with an ideal behavior. Using data from an evaluation survey of a CBAE grant, a dummy variable was created reflecting whether the birthday provided by the subject did or did not appear accurate. An (in)accurate birthday was comprised of a (in)valid month, date, and year for the age that was reported. This method assumes that an incorrect birthday is due to "hiding" and not inability to follow directions communicated in writing and verbally with examples by administrators. There were 1734 pre-campaign and 1960 post-campaign surveys from 7th-9th graders. Pre-to-post comparisons indicate no differences in the percentage of students "hiding" or providing inaccurate birthdates. 7th grade girls are more likely to hide than 7th grade boys; there were no other gender differences. Hiders are more likely to report intentions to engage in sex and consume drugs for 7th and 8th graders, with no significant differences among 9th graders. Hiding

was not a function of the campaign, but may have still been due to comparison to an ideal based on the activity reported by hiders.

Experiment 2 examined the degree to which reports of activity or identity were altered when presented with the ideal. The experiment was a 2 (tracking information order, first or last) x 2 (test timing, pre-campaign vs. post-campaign) between-subjects design utilizing a CBAE campaign promoting sexual abstinence. Based on impression management theory, an interaction of these two factors on accuracy was predicted. Specifically, inaccuracies of either type (hiding or lying) should be highest when subjects are aware they are being tracked and when they have been exposed to the "ideal" (i.e. following the campaign). Subjects were 521 ninth graders randomly assigned to the four conditions. Results indicate no difference in hiding, sobriety intentions, or sex intentions for either of the main effect conditions. There was, as predicted, a tracking information order X test timing interaction, but only for lying and not hiding. Post-test, tracking-first subjects were more likely to report being virgins and less likely to report intentions to remain sober. Being exposed to the campaign increases lying about one's virginity status when one knows that identity is being tracked, even though the survey was anonymous. Hiding was not influenced by exposure to the campaign or the position of tracking information.

Experiment 3 sought to determine the direction of impression management. Subjects were randomly assigned to this study from a larger CBAE project and exposed to the campaign. 230 9th graders responded in the pre-test and 220 in the post-test. Teens were asked to agree/disagree with "I exaggerated how much sex I've had on this survey" (exaggerating) and "It is important that my school look good (show less sex) on this survey" (minimizing). Exaggerating appears to remain constant, pre-to-post, suggesting that lying may occur in comparison to ideals held by other potential impression targets such as peers. However, minimizing increases when exposed to the health campaign, consistent with self-evaluation maintenance. In addition, those who said they exaggerated did report greater sexual activity and intentions to engage in such activity while those who said it was important for the school to look good reported less activity and lower intentions.

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# Attraction and Compromise Effects Revisited: The Role of Attribute Characteristics and Representation in Context Effects

Selin A. Malkoc, University of Minnesota, USA

## SESSION OVERVIEW

Context effects have been of interest to consumer behavior researchers for the past several decades. This line of research has established that consumers' preferences are significantly and systematically influenced by otherwise irrelevant changes in the decision context. Two of the most important and robust context effects are the attraction effect (a.k.a. asymmetric dominance) and the compromise effect. The attraction effect refers to the phenomenon whereby an asymmetrically dominated alternative, when added to a set, increases the attractiveness and choice probability of the dominating alternative (Huber, Payne and Puto 1982). On the other hand, the compromise effect occurs when the choice probability of an alternative increases when it is the middle option, compared to being an extreme option (Simonson 1989).

The three papers in this symposia further our theoretical knowledge of these two important context effects by identifying factors that amplify, nullify or reverse attraction and compromise effects. These papers focus on the consumers' goals (e.g., promotion or prevention), attribute characteristics (e.g., positive or negative) and attribute representations (e.g., numerical or visual), and demonstrate that these robust context effects can be significantly and systematically moderated.

The first paper, by Frederick and Lee, investigates the role of attribute representation in the extent and direction of the attraction effect. The authors suggest that numerical ratings that have been used to date in this line of research increases the saliency of the dominance relationship–leading to strong attraction effects. Their results indicate that if the same information is presented in a perceptual manner (i.e., visual pictures), the attraction effect disappears or even reverses, a phenomena they name the repulsion effect.

The second paper, by Malkoc, Hoeffler and Hedgcock, critically examines the role of attribute valence in attraction effects. Their results show that the attraction effect is only robust when the options considered are predominantly favorable (positive). In negative domains adding a decoy leads to both an attraction and a repulsion effect. Specifically, the authors show that in negative domains adding a decoy leads to a share increase for the option that is superior on the focal attribute (i.e., an attribute that consumers resist trading off when negative but are willing to do so when positive). They suggest that one of the mechanisms behind this effect is the shift of attribute representations from promotion to prevention as the valence changes.

The third paper, by Levav, Kivetz and Cho, studies the fit between consumers' goals and the attribute characteristics in determining the extent of attraction and compromise effects. They find that both compromise and attraction effects are amplified when the there is a fit between regulatory states and the nature of the attributes. Specifically, when consumers are in a promotion (prevention) focus and are evaluating options that have promotion-(prevention) based attribute tradeoff, they show higher context dependence, compared to when there is a mismatch of goals and attribute characteristics.

Collectively, the three papers in this symposium provide new insights about context effects in general and attraction/compromise effects in particular. These papers show that the attraction and compromise effects are systematically affected by the nature of the attributes, and that they can be attenuated and even reversed. The fist paper illustrates the role of attribute representation and demonstrates that the attraction effect is reversed when attributes are presented in a visual manner (as opposed to numerical representation). Exploring valence effects, the results of the second paper point out that when the attributes considered are predominantly unfavorable; consumers' preferences show both an attraction and a repulsion effect. Lastly, the third paper demonstrates the importance of the fit between attribute characteristics and goals, showing that when there is a high fit, both the attraction and compromise effects are amplified. Following the three papers, the discussant, Joel Huber, will comment on how the three papers inform and qualify the findings of previous research. He will also comment on some of the ways in which the three papers offer diverging perspectives on the common theme of the session. Joel will then engage the audience by inviting questions, comments, and future research ideas.

## EXTENDED ABSTRACTS

### "Attraction, Repulsion, and Attribute Representation"
*Shane Frederick, Massachusetts Institute of Technology*
*Leonard Lee, Columbia University*

The "attraction effect" (Huber, Payne, & Puto 1982) is among the most studied of all contextual effects on choice. Many studies have shown that the presence of an inferior "decoy" option enhances the attractiveness of the option with which it is most similar, and a casual reading of the literature suggests that this phenomenon is extremely robust, and widely replicated across diverse domains.

However, we propose that the way in which attributes are represented plays a critical role in the effect–that it may determine not only the effect's magnitude, but even its *direction*. First, representing naturally experiential or perceptual attributes (such as taste or visual clarity) through contrived numerical ratings (e.g. picture quality rating of a TV) both permits and encourages the computation of tradeoff rates (e.g. quality points per dollar) as a basis for comparison. Second, it enhances the salience of the dominance relationship between the decoy and the target–the difference between the number 9 and the number 8 is simply more apparent and unambiguous than even highly reliable perceptual differences. Third, describing choice stimuli by a vector of numbers strips them of affective content, influencing the types of comparative processes that are invoked. Specifically, we propose that perceptually represented attributes favor assimilation effects whereas numerically represented attributes favor contrast effects. In two experiments, we found that the attraction effect was either eliminated (Experiment 1) or reversed (Experiment 2) merely by shifting attribute representation from a numeric format to a graphical format.

In *Experiment 1*, 560 respondents chose between gambles that varied in probability of winning and reward. For all respondents, two options included an 83% chance to win $12 (the "P-gamble") and a 30% chance to win $33 (the "$-gamble"). For half of the respondents, the choice set also included a third, dominated decoy option–a 30% chance to win $30. Although winning amounts were always represented as a number, the probability of winning was represented either as a numeric percentage or as the shaded region of a probability wheel. When probabilities were represented nu-

merically, we observed a significant attraction effect–the decoy increased the choice share of the target $-gamble from 21% to 34%. However, when probability was presented graphically, the decoy had no effect.

In *Experiment 2*, 240 respondents chose between television sets of different price and image quality. Price was always represented by a number. However, image quality was represented either as photos of the TV screens (the clarity of which was manipulated by adjusting the resolution of a picture file), or by the numeric ratings of those images as judged by a separate group of respondents (8.0, 5.5, and 3.5). When image quality was represented numerically, the choice share of the target TV (low price, *medium* quality) was dramatically increased by the presence of the decoy TV (low price, *low* quality) but when image quality was represented naturally, by a picture of the TV's, the decoy TV substantially underlined decreased the choice share of the target (what we term a "repulsion effect").

Until now, the repulsion effect has been studied only indirectly in research on brand extensions, where imprudent brand extensions not only met early deaths, but also tainted the image and market share of the brand's core products, thereby repelling toward the competitors. Despite the managerial relevance of this phenomenon, there has been next to no experimental research on the repulsion effect, let alone investigations of psychological mechanisms underlying it. The experiments we describe here are among only a handful that have examined the role of attribute representation on context effects, and are the first to focus specifically on the repulsion effect.

### "Valence Asymmetries in Preference: The Case of Attraction Effect"

*Selin A. Malkoc, University of Minnesota*
*Steve Hoeffler, Vanderbilt University*
*William Hedgcock, University of Minnesota*

Extant research in decision making has dealt with context effects, examining how individuals are susceptible to seemingly small (and often rationally irrelevant) factors in the decision environment. One of the most important context effects is the attraction effect (a.k.a. asymmetric dominance). The attraction effect refers to the phenomenon whereby an asymmetrically dominated alternative, when added to a set, increases the attractiveness and choice probability of the dominating alternative (Huber, Payne and Puto 1982).

Several explanations and possible mechanisms have been offered to account for the attraction effect, such as attribute importance signals (Ariely and Wallsten 1995), changes in the range of attribute values considered (Simonson and Tversky 1992) or ease of justification (Simonson 1989). Although this phenomenon have researched extensively and found to be very robust in variant domains (consumer products, politicians, romantic dates, job candidates and medical treatments), most of this research employed options that were predominantly favorable. Past research has shown, however, that people's motivation, perceptions, learning and evaluations are systematically affected by the valence and framing of the options considered (Baumeister et al. 2001; Higgins 1997; Kahneman and Tversky 1979).

Accordingly, in this work, we explore how consumers react to context effects, like asymmetric dominance, when they are choosing among predominantly unfavorable options. We suggest that attribute representation and evaluation are significantly altered in negative domains, which reverse attraction effects in predictable ways. We argue that when attributes values are negative or unfavorable, consumers shift their representations. An attribute (e.g., battery life) that is reasonably good is viewed more as a promotion attribute, (which consumers would like to have more of). However, when the same attribute has values that are predominantly unfavor-

able, then consumers are more likely to view it as a prevention attribute, whereby their focus shifts to attempting to avoid the lower levels. This focus on the prevention of highly negative values, in return leads to increased choice of the option that is superior on the prevention attribute–irregardless of the decoy introduced to the set. More importantly we suggest that this representational shift is more pronounced for the attributes that are more focal (critical). Based on the aforementioned theorization, we predicted to observe asymmetric dominance in the positive domain when a decoy is introduced. However, in the negative domains, we expected both a repulsion and an attraction effect, where the choices systematically favor the critical attribute and ignore the decoy option. We report results from two studies that systematically manipulate the favorability of the attributes and find support for our predictions.

In Study 1, participants were asked to imagine purchasing a digital camera, represented on ergonomics and battery life (focal attribute) that could have a value between –10 and +10. Option A was superior on ergonomics and option B was superior on battery life. The third option was either an A decoy (A') or a B decoy (B'). We also manipulated the attribute valence by keeping the absolute values of the attributes same, but adding a negative sign. The results replicated the attraction effect in the positive domain. When no decoy was present, 35% of the participants choose option A. However, when A' was introduced to the set, choice for A went up to 63%. Conversely, when B' was added, only 22% of the participants chose option A. In the negative domain however, the 60% preference for A when no decoy was present, was decreased when A' (37%) or B' (43%) was introduced to the set. In another words, no matter whether A or B was the asymmetrically dominating alternative, participants indicated a preference for option B, which was superior on battery life (the focal attribute).

After demonstrating the proposed effect in a controlled setting with absolute negative numbers, Study 2 attempted to replicate the findings in a more externally valid context (i.e., where the stimuli had *relative* valence difference). We used a vacation scenario, asking participants to choose a hotel that was presented on two attributes: beach safety (focal attribute) and years since remodel. In the positive (negative) domain, the safety of hotels ranged from 6 to 19 deaths in a million (180 -235/1,000,000) and the years to remodel were 2 to 7 years in positive and 9 to 15 years in the negative domain. The results replicated study 1. Specifically in the positive domain, the choice share increased for option A (superior on safety) when A' was introduced to the set (29% to 52%) and decreased when B' was present (29% to 23%). In the negative domain though, adding both A' (23% to 38%) and B' (23% to 49%) increased the share of option A, which dominated on the focal attribute (beach safety).

In conclusion, we introduce attribute valence as a moderator of the attraction effect and show that one of the most robust context effects is eliminated (and even reversed) when identical attributes are presented in an unfavorable format. We further show this change takes place in a systematic manner and in negative domains introduction of any decoy leads to a higher choice of the option that is superior on the focal attribute.

### "Too Much Fit? How Regulatory Fit Can Turn Us Into Buridan's Asses"

*Jonathan Levav, Columbia University*
*Ran Kivetz, Columbia University*
*Cecile Cho, Columbia University*

This research is motivated by the idea that the robust phenomena of context effects in consumer choice are a function of not only lack of well-defined preferences, but also of goal states and the multiple goals that drive one's judgment and choice. The idea that

there is a relationship between task type and the attribute type being considered for the choice options has been supported in decision research (Nowlis and Simonson 1997). Similarly, research on goal-attribute compatibility suggests that an attribute's relevance to a goal influences the weight of the attributes being considered, whereby the attribute that is more compatible with the goal is given greater weight over another less goal-relevant attribute (Chernev 2004).

Our work builds on this research on goal-attribute compatibility, but from the perspective of context-dependent choice. Drawing on the literature on regulatory orientation and fit, we propose that when there is fit between the one's regulatory goal and the nature of the attributes being considered, context dependence increases. In other words, instead of fit being "good," as implied by the regulatory fit literature, fit actually leads to more non-normative choice. We test this prediction using the compromise and asymmetric dominance effect framework in four studies (Huber, Payne, Puto 1982; Simonson 1989).

Study 1 tested the main hypothesis using the compromise effect paradigm, creating a tradeoff conflict involving attributes that are both high in promotion strength (versus both high in prevention strength). We predicted that preference for the compromise option would be higher when the participant's goal state was promotion-oriented (fit) than when the participant's goal state was prevention-oriented (nonfat). (We also conducted the same test for a prevention-oriented goal state.) Participants were given a series of trinary-choice tasks involving various purchase scenarios. Regulatory orientation was manipulated by having respondents report their hopes and aspirations (or duties and obligations; Higgins, Roney, Crowe and Hymes 1994). Two sets of attributes were used to create a tradeoff conflict for each of the choice scenarios. For example, a laptop category had two attributes that both mapped onto either promotion (processor speed and RAM memory) or prevention concerns (warranty and weight). Results showed robust support for the hypothesized fit effect; for seven out of the eight categories we used, the relative choice share of the compromise option was higher when there was a fit between the primed goal orientation and the attribute type.

In Study 2 we tested for the hypothesized too much fit effect using the asymmetric dominance test. Again, conflict was created using two promotion- or two prevention-type attributes. As with Study 1, respondents first completed the same priming tasks before making their choices in eight purchase categories. The effect differentials for the fit vs. no fit conditions were consistent with our hypothesis for six of the eight categories. For the vacation package item, for example, the asymmetric dominance effect was 17% under fit versus 5% under no fit for choices involving prevention-consistent attributes of "number of flight stopovers" and type of travel insurance included in the package.

We propose that the explanation behind this pronounced tendency to make context dependent choices under fit is that of decision conflict. Our underlying premise is that the greatest degree of context-dependent choice occurs when one is faced with the conflict of choosing between options that differ on two similarly weighted attributes. We tested this explanation in Study 3 by directly measuring perceived conflict and decision difficulty. To operationalize this we used choice deferral (i.e., an explicit no choice or "decide later" option) as one of the options, in addition to the two choice options. Next, respondents rated their preference for delaying their purchase, and the difficulty of choosing either of the two product options should they be forced to choose. We predicted that respondents in the fit condition (e.g. promotion prime-promotion attribute type) would have higher preference to delay their decision and rate the decision as more difficult. Results were consistent with our prediction: The ratings of "prefer to delay" and "difficulty of choice" were significantly higher under fit than under non-fit for seven of the nine categories tested.

Study 4 addressed the role of attribute weighting in the too much fit effect observed in the previous studies. In this study, attribute types used to create conflict were "mixed," such that each choice would involve having to tradeoff between a promotion and a prevention-consistent attribute. We predicted that the attribute that fit the participant's primed regulatory orientation would receive greater weight, and hence lead to a reduction in the share of the compromise option in favor of the attribute that is consistent with the primed goal state. We used the compromise effect task from study 1, except here attribute types were mixed, such that each choice option included one promotion and one prevention attribute. Choice shares were greater for the option that was superior on the goal-consistent attribute than on goal-inconsistent attribute. Ratings of importance were also higher for goal-consistent attributes than for goal-inconsistent attribute for thirteen out of sixteen attributes tested, lending further support to the notion that the observed fit effect occurs due to conflict and that this conflict occurs due to augmented weighting of the goal-consistent attribute.

In contrast to an abundance of consumer behavior and social psychological research that suggest that fit is "good," our findings indicate that in certain decision contexts fit can actually increase non-normative choice.

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# Breaking Behavior Repetition: New Insights on the Role of Habits and Intentions

Pierre Chandon, INSEAD, France
Vicki G. Morwitz, New York University, USA

## SESSION OVERVIEW

First year psychology students learn that most behaviors are repeated, that past behavior is the best predictor of future behavior, and that habits are hard to break. For example, diary studies show that 45% of all the daily activities of students occur almost every day and in the same location (Wood and Quinn 2005). Many studies have also shown that past behavior has a significant effect on future behavior and that these effects are not fully mediated by beliefs and intentions (Ajzen 2002). Interventions that attempt to break habits by changing people's beliefs and intentions are often unsuccessful, even when they significantly influence intentions (Ouellette and Wood 1998; Verplanken and Wood 2006). In fact, repeated behaviors (e.g., inadequate exercise, overeating, smoking) are among the leading causes of preventable deaths.

However, there are significant disagreements regarding the conceptual significance of behavior repetition ("Is it proof of real habituation?"), its empirical reality ("Does the residual effect of past behavior disappear once intentions are measured?"), about methods ("Is behavior frequency a valid measure of habit strength?" and "Is behavior repetition subject to mere-measurement effects?"), and about their implications for behavior change ("When are intentions stronger than habits at guiding behavior?" and "Which interventions work for breaking habits?").

Yet, these important issues are largely absent from current consumer research, which tends to undervalue habit as a concept. The goal of this symposium is to provide an opportunity for consumer researchers to take a new look at habits and to learn about the exciting new research that is being done by colleagues in social psychology. To this end, we bring together prominent habits researchers from social psychology and marketing to summarize the state of the art in habits research and to chart new avenues for research in this important domain.

To achieve these goals, Bas Verplanken will start with an overview of how habits have traditionally been conceptualized (i.e., as behavior repetition) and measured (i.e., as behavioral frequency). He will then provide a new scale to measure habit strength that is consistent with current views of habit as automatic, stimulus-based disposition to repeat well-practiced responses. Finally, he will show how this new conceptualization of habits provides new insights on what can be done to break bad habits.

In the second presentation, David Neal will show the results of a series of studies conducted with Wendy Wood and Anthony Pascoe showing that many everyday repetitive behaviors are automatically triggered by recurring environmental cues and not by deliberative, intended, and goal-mediated psychological processes. He will then show that changing environmental features (e.g., moving to a new house) and ensuring high levels of self-control capacity brings behavior under intentional control and helps people change their purchase and consumption habits.

In the third presentation, Pierre Chandon (in joint work with Vicki Morwitz, Ronn Smith, Eric Spangenberg, and David Sprott) will show how question-behavior research on the unintended effects of measuring intentions can contribute to the current debate about the relative importance of habits and intentions in guiding behavior. He will present the results of four longitudinal experiments (two in the field and two in a laboratory context) that demonstrate that measuring intentions strengthens behavior repetition when personal norms are weak but disrupts behavior repetition when personal norms are strong.

The discussion leader will be Gavan Fitzsimons. Gavan Fitzsimons will draw on his research on automatic behavior and on the effects of measuring intentions to discuss the contribution of the three papers of the session and to lead a discussion about an appropriate research agenda for continued work in this area.

## EXTENDED ABSTRACTS

### "Habit and Consumer Behavior: Implications for Interventions and Behavior Change"

*Bas Verplanken, University of Bath*

We seldom do things for the first time. A large portion of everyday behavior, including many consumer behaviors, is repeated in one form or another. While a single act may have important personal consequences, when behaviors are repeated, they exert significant, cumulative impact on medical, social, and economic outcomes experienced by both individual consumers and society as a whole. An important aspect of repetition is that repeating behaviors may turn these into habits. A habit can be conceptualized as a recurrent, often unconscious pattern of behaviour that is acquired through frequent repetition in a stable context. In this presentation, I will (1) argue that habit is an undervalued concept in consumer research, and show why habits are important to study; (2) claim that habits have been incorrectly conceptualized as 'frequency of past behavior,' and propose a more adequate conceptualization; and (3) discuss implications of considering the habit concept for interventions and behavior change.

Although many consumer behaviors are highly repetitive, this aspect is not or is only indirectly incorporated in most models of consumer behavior. For instance, according to the theory of planned behavior, past behavior influences future behavior through the mediating effects of model variables such as attitudes and behavioral intentions. Nevertheless, research on the residual variance effect shows that past behavior has a distinct and independent effect on future behavior over and above the model variables. Although this effect may have many causes, some of our research demonstrates that habituation may be one of those. In addition, habit has been found to attenuate the influence of attitudes and intentions on behavior, which suggests that habits may function as boundary conditions for the validity of social cognitive models. Habituation has also been found to affect information processing, such as information acquisition. In all, there is good reason to pay more attention to habit as a concept of interest to consumer behavior researchers.

Habit has always been conceptualized as frequency of past behavior. Consequently, most instruments to assess habit strength comprise of some measure of past behavioral frequency. However, it can be argued that repetition of behavior is a necessary, but not a sufficient condition to define behavior as habit. In addition to repetition, habits are defined by the automatic nature of acting. That is, habits may be executed without much awareness, deliberation or conscious intent, may efficiently co-occur with other activities, and are sometimes difficult to control. These features of automaticity, in addition to the aspect of repetition, provide a more appropriate and psychologically meaningful account of habit than confining

habit to past behavioral frequency. Following this reconceptualization of the habit construct, we developed a generic 12-item meta-cognitive instrument to measure habit strength. This instrument is not only a more valid measure of habit, it also provides the opportunity to test hypotheses that could not be tested with past behavioral frequency measures.

The features of automaticity that define habits, are the very features that make existing habits difficult to change. That is, the lack of awareness, deliberation and conscious intent that characterizes habits, the efficiency of habitual behavior, and the difficulty to control habits, may all contribute to the perseverance of habitual behavior. Unhealthy snacking habits, for instance, are difficult to change because habitual snackers typically do not make deliberate tradeoffs, take their snacks while doing other things simultaneously, and simply find it hard to leave. Together with the findings that habits are associated with a "tunnel vision," as well as the weak relations between attitudes, intentions and habitual behavior, the defining features of habits spell bad news particularly for the effectiveness of informational campaigns. However, I will also argue that there may be windows of opportunities for such interventions when habits are broken in a more or less natural fashion. This may occur, for instance, when people move, when companies merge, or when people's everyday routines are jeopardized or temporarily changed.

Finally, it can be argued that the features that define habits are the very features that are attractive for desirable behaviors to obtain. That is, we would like desirable behaviors to be executed frequently and automatically, and not be easily challenged by external information. In other words, the creation of desirable habits may be explicitly adopted as an intervention goal. This often will require much more than providing information. New habits should first and foremost be satisfactory solutions. Creating habits also implies creating stable contexts in which the new habits are sustained. For instance, the purchase of healthy food may only be expected to become habitual when such food is easily available at the right times and places.

Habit has long been ignored as a distinct and interesting construct. The conceptualization of habit as frequency of past behavior seems at least partly responsible for this. By defining habit as repeated behavior that has gained a degree of automaticity, we may now work with a more valid and psychologically more interesting concept. Taking habit into account may lead to new approaches to changing existing as well as creating new consumer behavior.

### "Triggers of Real-World Habits: Implications for Consumer Behavior"

*David Neal, Duke University*
*Wendy Wood, Duke University*
*Anthony M. Pascoe, Duke University*

Classic approaches to consumer behavior have tended to focus on the role of relatively conscious, deliberative decisions in driving action (e.g., information processing models; elaboration-likelihood model; see Bargh, 2002). Within this perspective, consumers are depicted as engaged in fairly dynamic processes of updating and adjusting their behavior to maximize subjective utility. How well does this model apply to well-established consumer habits? In this talk, we use a combination of naturalistic and experimental data to argue that habits are relatively isolated from people's deliberative, intended, and goal-mediated psychological processes (Wood & Neal, in press). We argue that habits depend instead on cues in the performance environment that have historically co-varied with the response. Specifically, environmental cues come to be represented with habitual responses in memory so that the simple perception of the cues can trigger performance of the response.

In support of this habit model, we present data from a series of studies some of which directly measure consumer behavior and some of which assess habits more broadly. Our first three studies indicate that habits are relatively independent of people's current goals and intentions. Study one used a diary paradigm in which participants' fast food purchases were tracked over a one-week period and then predicted from (a) the strength of their past purchasing habits and (b) the favorability of their stated intentions (i.e., whether they held favorable or unfavorable purchase intentions). Regression analyses showed that intentions were powerful predictors of actual purchasing behavior when habits were not in place, but did not predict behavior for those with strong habits (Ji Song & Wood, in press).

We then will present convergent evidence from a second, more controlled experimental paradigm. These studies simulated habit formation in the laboratory using a probabilistic learning task borrowed from cognitive neuroscience (Poldrack et al., 2001). Specifically, participants played a computer game in which they learned to predict weather outcomes (rain vs. shine) based on probabilistically associated visual cues. For some participants, the learning trials involved procedures known to encourage use of habit-based, procedural associations in memory. For others, the learning trials involved more explicit, declarative learning of specific outcomes. After learning, we primed a task-relevant goal (i.e., achievement) in some participants but not others using a scrambled sentence task. Participants were then tested on their weather prediction ability. Implicit achievement goal priming improved the performance of those relying on declarative memory, but impaired performance of those using habit-based procedural memory. This effect was replicated in a second study using an explicit goal-priming technique (performance-contingent payment). Thus, activating response-relevant goals not only failed to facilitate, but actually impaired, habitual responding.

These first two studies, although employing radically different paradigms, support a similar conclusion. They suggest that people's habits are relatively independent from current goals and intentions. Extrapolating to the consumer domain, we theorize that marketing campaigns should tailor content to the strength of consumers' habits in the target domain. Change in consumer habits will not be easily accomplished by a focus on changing intentions and goals.

In the second part of the talk, we address the mechanisms by which it is possible to change purchase and consumption habits. The results of a real-world diary study will be presented showing that people's newspaper reading and TV watching habits tend to be disrupted when the context in which they perform those behaviors changes in some way (e.g., when cohabitants' behavior changes). These data provide a real-world analogue for experimental work conducted by others showing that habits are linked to, and triggered by, the contextual cues that have consistently co-varied with past performance. Importantly, the diary data also reveal that context change tends to bring behavior under the control of people's intentions. Specifically, even those with strong habits to read the newspaper or watch TV acted in line with their (favorable or unfavorable) intentions when the context had been disrupted. Based on this, we argue that context change (e.g., when people move to a new house) offers opportunities to target the formation of new consumer habits by influencing people's intentions and goals when their old habits have been disrupted. In particular, new resident marketing programs hold great promise to alter habitual consumer behaviors (see Verplanken & Wood, 2006).

Also relevant to understanding the mechanisms for changing consumer habits is recognition of the extensive self-control resources required for consumers to control existing habits. In line with recent work showing that self-control is a readily depleted, finite resource (Muraven & Baumeister, 1998), we present diary data suggesting that people's real-world habits are especially difficult to inhibit when their self-control resources are low. Over four days, we tracked people's performance of personally important desirable (e.g., attending gym) and undesirable behaviors (e.g., purchasing candy bars). For two of the four days, we imposed a chronic self-control drain on participants by having them use their non-dominant hand for a variety of tasks (e.g., opening doors, answering cell phones). When self-control capacity was taxed in this way, participants were significantly more likely to fail at inhibiting unwanted habits. These data suggest that consumer habits will be especially unlikely to be amenable to change through marketing techniques that address intentions and goals when people's self-control resources are low (e.g., at the end of the day).

### "When Does the Past Repeat Itself? The Role of Behavior Prediction and Personal Norms"

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Whether done intentionally or out of habit, many behaviors are repeated. Although no one denies the empirical evidence regarding the prevalence of repeat behavior and the predictive power of past behavior, two issues remain intensely debated. The first issue is whether behavior repetition provides evidence of habituation or whether it is simply a proxy measure of other unobserved or poorly measured factors, such as intentions, that actually drive behavior (Bargh and Chartrand 1999; Ouellette and Wood 1998; Webb and Sheeran 2006). Unfortunately, all the studies attempting to answer this question share a common methodological problem: In order to assess the unique contribution of each factor, they measure both intentions and behaviors in the same groups of people. If the simple act of measuring intentions changes behavior repetition, the results of these studies a) may not generalize to the general population of people whose intentions were not measured and b) may be systematically biased by factors such as subjective norms, which, as we argue, determine whether measuring intentions strengthens or weakens behavior repetition.

The second debated issue is to determine, from a practical standpoint, which interventions can be used to reinforce the repetition of behaviors generally considered virtuous and to disrupt the repetition of harmful behaviors. We hope to provide new insights into this question by examining the role of behavior prediction. Asking people about their future behavior is known to influence both socially normative and non-normative behaviors ( Chandon, Morwitz, and Reinartz 2004; Chandon, Morwitz, and Reinartz 2005; Sherman 1980; Spangenberg and Greenwald 1999; Spangenberg et al. 2003). It is also an important question from a public health perspective because many research and prevention programs routinely include behavior prediction requests (Williams, Block, and Fitzsimons 2006), and may therefore unknowingly disrupt socially beneficial habits or reinforce socially harmful ones.

The objective of this research is to examine how behavior predictions and personal norms interact to reinforce or disrupt behavior repetition. Drawing on mere-measurement and self-prophecy studies (known collectively as question-behavior research,

Sprott et al. 2006), we hypothesize that asking people to predict their future behavior disrupts behavior repetition when personal norms are strong but increases repetition when they are weak. Stated differently, we hypothesize that prediction leads people to act according to their personal norm—and hence reduces the likelihood of repeating past behavior—when personal norms about the appropriate frequency of behavior are strong, but leads to behavior polarization—and hence to a higher likelihood of repeating the past—when personal norms are weak.

Two field experiments, one in a low-norm context (grocery purchasing) and one in a high-norm context (exercising), provide empirical support for our hypotheses. Study 1 shows that asking people about their future online grocery shopping intentions increased the number of transactions and total expenditures among frequent shoppers, but decreased these behaviors for those with medium and low pre-study usage. Hence, Study 1 shows that self-prediction increases online grocery purchasing habits. In Study 2, we obtain the exact opposite results when looking at exercising, a high-normative behavior. We find that asking people about their future exercising behavior reduced attendance at a health and fitness club among the top tier of its most assiduous members and increased it among the more intermittent users. Both Studies 1 and 2 used unobtrusive measures of behavior (e.g., shopping transaction data and daily attendance data) obtained in collaboration with the online grocer and with the health club.

The results of the field studies were supported by two laboratory experiments in which we manipulate and measure normative beliefs in a more controlled environment. In Study 3, we asked students to keep diaries measuring how much time they spend each day on a behavior with high normative beliefs (exercising) and on two behaviors with low normative beliefs (news watching and book reading). We also collected data on norm importance beliefs for each behavior by each participant. Participants were then asked to predict whether or not they would engage in one of the three behaviors in the following weeks. One week later, participants filled out unanticipated surveys of their post-prediction behavior duration. As expected, Study 3 shows that for behaviors with low normative beliefs (i.e., news and books) asking questions about future behavior increased the time spent amont the most frequent users but reduced it for the least frequent users. For example asking questions about future behavior increased the time spent watching news by 47 minutes (+31%) among top-tier news watchers, but led to a 25-minute reduction (-74%) among the bottom tier. In contrast, self-prediction increased the time spent for the high social norm behavior (i.e,. exercise) by 41 minutes in seven days (+69%) among the bottom tier of exercisers, but decreased exercise duration by 141 minutes (-49%) among the top tier. Finally, Study 4 provides initial evidence that personal norms strength interacts with behavior prediction because of the different accessibility of strong and weak personal norms and because of the resulting conflict with past behavior. Specifically, it shows that personal norms are more available for exercising than for either book reading or news watching and are more likely to conflict with past behavior when people are asked to predict their future behavior for exercising than for either book reading or news watching. It also shows that the strength and availability of personal norms are correlated at the individual level.

Although the focus of this research is on the effects of behavior prediction (i.e., the effects of *measuring* intentions, not the effects of intentions per se), our framework and results provide new insights on the two related debates of the relative importance of past behavior in guiding future behavior and on the factors that influence behavior repetition. We also contribute to the question-behavior

literature by demonstrating a new consequence of prediction, namely that it affects behavior consistency over time, and by providing new insights on the processes underlying question-behavior effects. Finally, our findings help unify this literature by showing that some of its seemingly contradictory results can be explained by the fact that some looked at behaviors, such as exercising, for which personal norms tend to be strong whereas others looked at behaviors, such as grocery shopping, for which personal norms tend to be weaker.

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# Deal or no Deal? The Neural Basis of Decision Utility and Loss Aversion During Consumer Decision-Making

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## EXTENDED ABSTRACTS

### "Neural Encoding of WTP Computation During Simple Purchasing Decisions"

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Over 43 trillion dollars in goods and services are exchanged every year in the world economy. An essential component of every marketplace transaction is a willingness-to-pay (WTP) computation in which consumers calculate the maximum amount of resources that they are willing to give up in exchange for the object being sold. This WTP is then used to evaluate whether a proposed purchasing offer is beneficial (e.g., when the WTP exceeds the price at which the product is being offered). Clearly, in order to make good purchasing decisions, individuals must be able to assign a WTP to an item that is commensurate to the utility that it will generate. Otherwise consumers would end up purchasing items for a price that exceeds their worth to them. Despite its pervasiveness and importance for consumer welfare, little is known about how the brain carries out the WTP computation in everyday transactions, or about how its ability to do so is affected by diseases such as addiction or obsessive compulsive disorders. This makes understanding how and where the brain makes these computations one of the most important open questions in the nascent field of Neuroeconomics (Camerer, Loewenstein, and Prelec, 2005).

Based on the results of several previous studies, we hypothesized that activity in the medial orbitofrontal cortex (mOFC) encodes WTP. Monkey electrophysiology studies of binary choice have found that activity in the OFC encodes the expected value of the chosen action (e.g. Padoa-Schioppa and Assad, 2006). Several fMRI studies have found analogous results in humans (e.g. Daw et al. 2006, Knutson et al. 2007, Tom et al., 2007). Although all of these studies suggest that the medial OFC plays a critical role in the evaluation of choices and the computation of reward values, none of them have established that the medial OFC correlates with the subjective economic computation of WTP.

We investigated the neural basis of the WTP computation by scanning hungry subjects' brains using fMRI while they placed bids for the right to eat different junk foods in a Becker-DeGroot-Marshak auction (Becker, DeGroot, and Marschak, 1964). Because of the characteristics of this auction, individuals always bid their exact WTP for the object (Wertenbroch and Skiera, 2002) and thus we get a measure of the WTP computed by the brain for every bidder and item at the time of decision-making, which we can then compare with the BOLD measure of neural activity.

Subjects were asked to place bids in two different conditions: free bidding trials and forced bidding trials. In free bidding trials they chose how much to bid. In forced bidding trials they were told how much to bid. Both types of trials were otherwise identical. Each item received one bid of each kind. The only difference between both types of trials is that the subject needs to perform a WTP computation in the free trials, since she needs to decide how much to bid, but not in the forced trials, since she is told what her bid should be. Every other computation, such as the anticipated taste of the food, should be carried out equally in both types of trials. As a result, we can conclude that a brain area encodes the WTP compu-

tation whenever its activity increases with the WTP in the free trials, but not in the forced trials.

As predicted, we found that activity changes within the medial OFC were modulated by the subject's WTP in free as compared to forced bid trials. Unexpectedly, we also found that right dorsolateral prefrontal cortex (DLPFC) involved in this computation. We thus concluded that activity in the medial OFC and DLPFC encode for WTP in everyday purchasing decisions.

Part of the research agenda in neuroscience related to behavioral decision research is to understand how the brain evaluates potential goals and outcomes at the time of decision-making, and how do other cognitive, emotional, and visceral processes affect the computation of economic utility. A first step in this research agenda is to understand what are the brain structures involved in the computation of (decision) utility in simple everyday purchasing decisions. Our results suggest that the medial OFC and DLPFC are places where a variety of variables computed in other brain regions are integrated into a single representation of utility. If this hypothesis is correct, other brain processes may be able to influence decision-making by modulating activity in the medial OFC and DLPFC.

Additionally, our results have also implications for decision-making disorders and transformative consumer research. From a neuroeconomic point of view, addiction and compulsive gambling, eating, or purchasing behavior can be characterized as diseases in which the brain miscomputes the WTP of drugs, gambles, food and goods. Given our findings, these diseases might act through brain mechanisms modulating activity within mOFC and DLPFC (further preliminary evidence for this hypothesis comes from Volkow et al., 2005).

### "The Neural Basis of Loss Aversion in Decision-Making Under Risk"

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Many decisions, such as whether to invest in the stock market or to accept a new job, involve the possibility of gaining or losing relative to the status quo. When faced with such decisions, most people are strikingly risk averse. For instance, people typically reject gambles that offer a 50/50 chance of gaining or losing money, unless the amount that could be gained is at least twice the amount that could be lost (e.g., a 50/50 chance to either gain $100 or lose $50) (Tversky, 1992). Prospect theory explains risk aversion for "mixed" (gain/loss) gambles using the concept of loss aversion: People are more sensitive to the possibility of losing objects or money than they are to the possibility of gaining the same objects or amounts of money. Thus, people typically require a potential gain of at least $100 to make up for exposure to a potential loss of $50 because the subjective impact of losses is roughly twice that of gains. Similarly, people demand substantially more money to part with objects they have been given than they would have been willing to pay to acquire them in the first place (Kahneman, 1990). Loss aversion has been used to explain a wide range of economic behaviors outside the laboratory (e.g. Benartzi, 1995) and is seen in trading behavior of young children (Harbaugh, 2001) and capuchin

monkeys (Chen, 2006), suggesting that it may reflect a fundamental feature of the primate brain.

In the current study we aimed to isolate activity associated with the evaluation of a gamble when choosing whether or not to accept it (i.e., decision utility) without the expectation that the gamble would be immediately resolved. This allowed us to test whether neural responses during the evaluation of potential outcomes are similar to patterns previously reported in studies of anticipated and experienced outcomes. Moreover, we explore whether enhanced sensitivity to losses is driven by negative emotions, such as fear or anxiety (e.g., Camerer, 2005) that might be mediated by enhanced activity in brain areas such as the amygdala or anterior insula, cf., (Kahn, 2002; Kuhnen, 2005) or whether loss aversion reflects an asymmetric response to losses versus gains within a single system that codes for the subjective value of the potential gamble, such as ventral striatum (e.g. Breiter, 2001).

We collected functional magnetic resonance imaging (fMRI) data while participants decided whether to accept or reject mixed gambles that offered a 50/50 chance of either gaining one amount of money or losing another amount. The sizes of the potential gain and loss were manipulated independently, with gains ranging from $10 to $40 (in increments of $2) and losses ranging from $5 to $20 (in increments of $1). To introduce incentive-compatible payoffs, we endowed participants with $30 one week prior to scanning and told participants that one decision from each of three scanning runs would be honored for real money.

We assessed behavioral sensitivity to gains and losses by fitting a logistic regression to each participant's acceptability judgments collected during scanning, using the size of the gain and loss as independent variables. We computed a measure of behavioral loss aversion ($\lambda$) as the ratio of the (absolute) loss response to the gain response, yielding a median $\lambda=1.93$ (range: 0.99-6.75). This finding is consistent with the observation that participants were on average indifferent to gambles in which the potential gain was twice the potential loss and also accords well with previous findings (Tversky, 1992).

We next analyzed the imaging data to identify regions whose activation correlated with the size of the potential gain or loss, using parametric regressors. This analysis isolated a set of regions responsive to the size of potential gains when evaluating gambles (averaging over levels of loss). The gain-responsive network included regions previously shown to be associated with the anticipation and receipt of monetary rewards, including dorsal and ventral striatum, ventromedial prefrontal cortex (vmPFC), ventrolateral PFC (vlPFC), anterior cingulate (ACC), orbitofrontal cortex (OFC), and dopaminergic midbrain regions. There were no regions that showed decreasing activation as gains increased.

Surprisingly, no brain regions showed significantly increasing activation during evaluation of gambles as the size of the potential loss increased (averaging over all levels of gain). Instead, a group of brain regions including the striatum, vmPFC, ventral ACC, and medial OFC, most of which also coded for gains, showed decreasing activity as the size of the potential loss increased. A conjunction analysis between increasing activity for gains and decreasing activity for losses demonstrated joint sensitivity to both gains and losses in a set of regions, including the dorsal and ventral striatum and vmPFC.

Examination of regions of interest in the striatum and vmPFC from the gain/loss conjunction analysis revealed that these regions exhibited a pattern of "neural loss aversion"; that is, the (negative) slope of the decrease in activity for increasing losses was greater than the slope of the increase in activity for increasing gains in a majority of participants (striatum: loss>gain for 14/16 participants,

p=.004; vmPFC: loss>gain for 13/16 participants, p=.021). In order to more directly assess the relationship between neural loss aversion and behavioral loss aversion, we performed a whole-brain robust regression analysis with these measures. This analysis revealed significant correlations between behavioral and neural loss aversion in several regions, including bilateral ventral striatum (r=.85) as well as bilateral lateral and superior PFC (pre-SMA), and right inferior parietal cortex. These results demonstrate that differences in behavior were strongly predicted by differences in neural responses.

The present study replicates the common behavioral pattern of risk aversion for mixed gambles that offer a 50/50 chance of gaining or losing money, and shows that this pattern of behavior is directly tied to the brain's greater sensitivity to potential losses than gains, consistent with prospect theory. The study also shows that potential losses are represented by decreasing activity in regions that seem to code for subjective value rather than by increasing activity in regions associated with negative emotions.

### "Neural Predictors of Purchases"

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The decision whether to purchase a product is the fundamental unit of economic analysis. The success of economic theory rests on its ability to characterize this repeated and elementary decision process. While some neuroeconomic research (e.g., McClure et al., 2004) has examined how people choose between well-defined immediate and delayed rewards, note that consumers rarely face such explicit choices. Although the standard economic perspective assumes that the price of a good represents how much future pleasure must be foregone to finance immediate consumption, it is not at all clear that people spontaneously consider such "opportunity costs" in their purchasing decisions. Consider, for instance, a study by Frederick et al. (2006) in which participants were asked if they would (hypothetically) be willing to purchase a desirable video for $14.99. The researchers simply varied whether the decision not to buy it was framed as "not buy this entertaining video" or "keep the $14.99 for other purchases." Although the two phrases represent equivalent actions, the latter highlights the pleasure that is foregone by purchasing the video. Frederick et al. (2006) found that drawing attention to opportunity costs significantly reduced the proportion of participants willing to purchase the video, suggesting that some participants are not spontaneously considering opportunity costs.

If prices do not deter spending through a deliberative consideration of opportunity costs, then what role do prices play in spending decisions? Prelec and Loewenstein (1998) propose that prices deter spending through an immediate "pain of paying." According to their model, people consume immediately if the anticipated benefits of doing so exceed the pain of paying for the good. We examined these competing perspectives in an experiment in which participants chose whether or not to purchase a series of discounted consumer goods while having their brains scanned with fMRI. Before each of two sessions participants were given $20 to spend and were told that one of their decisions would be randomly selected to count for real. In order to isolate participants' reactions to the different components of purchasing decisions, participants first saw the available good for four seconds, then saw its price for four seconds, and then had four seconds to decide whether or not to purchase it. Goods ranged from hedonic (e.g., The Simpsons DVDs) to utilitarian (e.g., Crest Whitestrips), retailed from $10-

$80, and were offered at a 75% discount in order to encourage spending. At the conclusion of the experiment, participants indicated how much they liked each product and how much they would be willing to pay for it.

Consistent with both the standard economic perspective and Prelec and Loewenstein's (1998) Red and Black model, we found that the extent to which participants reported liking the products correlated positively with activation in nucleus accumbens, a region previously associated with anticipation of gains and positive arousal (Knutson et al. 2001). Nucleus accumbens activation was also positively correlated with purchasing decisions. However, inconsistent with the standard economic account, we also found that activation in insula, a region previously associated with experiencing a variety of painful stimuli such as disgusting odors (Wicker et al., 2003), unfairness (Sanfey et al., 2003), and social exclusion (Eisenberger et al., 2003), correlated negatively with purchasing decisions. The difference in insula activation between purchased and non-purchased products occurred as soon as participants saw the good's price, four seconds before the actual purchase decision was made. The difference remains significant controlling for price, willingness to pay, and activation in related brain regions. The results suggest that an anticipatory pain of paying plays a critical role in consumer choice.

The pain of paying may explain a variety of market phenomena. For example, people may spend more with credit than they would with cash (on hedonic goods, at least; Prelec and Simester, 2001; Soman, 2003) partly because swiping a credit card is simply less painful than forking over money. The pain of paying may also differ across individuals; indeed, such individual differences may explain why "tightwads" find it so difficult to indulge themselves (excessive pain of paying) and why "spendthrifts" find it so difficult to control their spending (insufficient pain of paying). Motivated by the findings of this study, Rick, Cryder, and Loewenstein (in press) developed a "Tightwad-Spendthrift" scale to assess individual differences in the pain of paying. Contrary to the media's persistent attention toward over-spending and credit card debt, Rick, Cryder, and Loewenstein (in press) found that tightwads outnumber spendthrifts by a 3:2 ratio in a sample of over 13,000 people. If prices deter spending through a pain of paying, understanding how and why that pain varies across situations and individuals is a crucial task for future research.

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SYMPOSIA SUMMARY
# On the Metacognition of Emotions: What I Think about How I Feel
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## SESSION OVERVIEW

*Session Objective*: It is a central tenet in social psychology and consumer research that emotions are used as inputs in judgments and decisions. However, twenty years after the How Do I Feel (HDIF) heuristic was introduced, there is a growing realization that a variety of metacognitive factors might determine the exact manner in which such affective influences operate. The purpose of this special session is to present current research that investigates such factors, and to provide an integrative platform for a discussion of fruitful research directions.

*Overview*: Much research has demonstrated that people use feelings as inputs into their judgments and decisions. Indeed, the great interest in this field has served to establish several robust findings (cf. Schwarz and Clore 1988; 2007). However, one question that remains only partially addressed pertains to the universality of the HDIF heuristic—do individuals always use their feelings as inputs to their judgments, and in the same manner each time? The four papers in this session attempt to answer this question by demonstrating that metacognitive considerations such as perceptions of trust, confidence, and implicit theories may moderate both when and how feelings are used as inputs to judgment and decision-making.

*Papers*: As mentioned, the four papers in this session all propose that the manner in which feelings are used as inputs depends on a set of higher-order, metacognitive considerations. Essentially, factors determining the applicability and nature of felt emotions should guide the manner in which these emotions influence judgments. In the first paper, Avnet and Pham suggest that trust in ones feelings impacts the degree to which people rely upon their feelings in judgments. Their results indicate that the influence of affect on judgment depends on the momentary trust that people have in their feelings, and this trust moderates the influence of affect only when cognitive resources are available. In the second paper, Briñol, Rucker, and Petty examine how metacognitive confidence can both affect emotions and be influenced by emotions. Across two sets of findings they show first that emotions are affected by the confidence present at the time of an emotion inducing event, and then that emotions can influence persuasion by affecting confidence in one's thoughts. In the third paper, Labroo and Mukhopadhyay demonstrate that people have implicit theories about the transience of emotions which determine whether they make choices that reflect mood-improvement or self-regulation. People who believe emotions are transient engage in self-regulation when unhappy but in mood-improvement by opting for hedonic options when happy. In contrast, people who believe emotions are stable choose self-regulation when happy but mood-improvement when unhappy. Finally, Schwarz, Xu, Song, and Cho present an integrative overview of two decades of feelings-as-information research, specifically, the roles of metacognitive experiences and naïve theories as sources of information.

*Contribution*: These papers have several important findings that shed light on the question of how and when effect is incorporated into judgments and decisions. Avnet and Pham demonstrate that emotions are used in judgments if people feel they are appropriate, and can be trusted. In related work, Briñol et al. demonstrate that similar metacognitive assessments can shape confidence in the feelings themselves. Labroo and Mukhopadhyay then show that the

manner in which emotions are applied depends on the lay theories that people have about their transience. Finally, Schwarz et al. present an integrative overview not just of these three papers, but the area as a whole. Taken together, these papers constitute a significant step in the study of the metacognitions of emotion. All papers include multiple completed studies that have not been presented at ACR before. The session is structured such that Norbert Schwarz, a pioneer in this field, will present an integrative overview model that incorporates aspects of the other three papers, thereby going well beyond the traditional role of discussant.

## EXTENDED ABSTRACTS

### "Metacognitive and Nonmetacognitive Influence of Affect In Judgment"
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A growing body of evidence suggests that the effects of beliefs and thoughts on judgment depend not only on the evaluative content of these beliefs and thoughts, but also on various metacognitive considerations about these beliefs and thoughts (e.g., Petty, Brinol, and Tormala 2002). We hypothesize that people invoke similar metacognitive considerations with respect to their feelings. In particular, the reliance on feelings may be regulated by a metacognitive assessment of whether one's feelings *should* be used in a given judgment rather than by a sole concern for judgmental efficiency. Our main hypothesis is that the reliance on feelings in judgment depends on the momentary trust that people have in their feelings at the time of judgment—a trust that arises from a metacognitive assessment based on multiple considerations. We suggest that the first stage of metacognitive processing requires a cognitive awareness of feelings. Without this awareness the assessment of trust cannot be performed. Therefore, the metacognitive assessment of feelings should depend on the availability of processing resources. If sufficient resources are available, feelings will tend to influence the decision in a reflective manner. If resources are unavailable, feelings will tend to influence the decision more mindlessly, without much appreciation for the trustworthiness of the feelings.

The purpose of this research is to provide a better understanding of when and why people rely on their feelings in judgment. Results from four studies suggest that an increased reliance on feelings seems to reflect a fairly strategic process whereby people perform a metacognitive assessment asking if they *should* use their feelings and draw conclusions from the level of trust they experience in their feelings. Results also confirm that processing resources are required to perform this metacognitive assessment.

In all four studies trust was manipulated using a procedure adapted from Schwarz and colleagues (1991). The rationale behind this procedure is that when people are asked to generate information, they monitor not only the content of the information they generate but also the ease with which this information is generated. People draw inferences that are consistent with the implications of accessible content when generation of content is experienced as easy. However people draw inferences that are contrary to the implications of accessible content when generation of content is experienced as difficult. In our studies respondents were asked to

describe either 2 (high trust condition) or 10 (low trust condition) situations in which they trusted their feelings to make a judgment. It was expected that the ease respondents felt when identifying 2 versus 10 such situations would affect their momentary trust in their feelings. This manipulation was validated in a pretest.

The purpose of study 1 was to show that people reflect on the use of their feelings in judgment and that the level of trust in feelings would affect the reliance on feelings in the evaluation process. After being primed for either high or low trust in feelings, respondents were asked to express their attitude toward the issue of reading based on a British TV commercial praising the virtues of books. To manipulate respondents' subjective affect toward the issue (holding the TV commercial constant), we varied the pleasantness of the musical soundtrack of the commercial. Consistent with our theory, we found that the pleasantness of the commercial's soundtrack had more influence on attitudes when respondents experienced high trust in their feelings than when they experienced low trust in their feelings.

The purpose of study 2 was to test the reliability and generality of study 1's findings, using an incidental mood manipulation of feelings toward the target. After manipulating trust as in study 1, respondents' mood state was manipulated. Respondents were then asked to evaluate a book based on a synopsis. Results showed that respondents who were primed to trust their feelings were more influenced by their mood states in their evaluations than respondents who were primed not to trust their feelings. This result suggests that the metacognitive assessment of feelings applies to feelings in general, including to incidental feelings arising from a mood state.

The purpose of study 3 was to test the proposition that (a) assessing the diagnosticity of feelings from a metacognitive standpoint requires a significant amount of processing resources, and (b) if sufficient resources are unavailable, people rely on their feelings without much consideration to the diagnosticity of the feelings. Using study 1's manipulation of integral feelings, the influence of these feelings was compared across 3 conditions representing different combinations of respondents' momentary trust in their feelings and the availability of processing resources (controlled through a cognitive load manipulation). Results confirmed that under high resource availability, respondents replicated the results of study 1. However, under low trust with limited resource availability, respondents behaved differently. These respondents relied on their feelings without much consideration to these feelings' diagnosticity, and therefore were influenced by the commercial's soundtrack despite being primed not to trust their feelings.

The purpose of study 4 was to test the robustness and generality of the results of study 3 using an incidental mood manipulation of respondents' feelings toward the target. As in study 3, the effects of the manipulation of affect were compared across three conditions. Replicating the results of study 2, respondents' evaluations were more influenced by their mood when they were primed to trust their feelings than when they were primed not to trust their feelings. In contrast, under conditions of limited resource availability, evaluations were influenced by mood even though they were primed not to trust their feelings, replicating the results of Study 3.

Based on our results, it is proposed that the reliance on feelings in judgment often involves a metacognitive assessment of whether one's feelings should be used in judgment. It is conjectured that the reliance on feelings in judgment operates in two different ways: a reflective way that involves a metacognitive assessment of the diagnosticity of the feelings when resources are available, and a non-reflective way that is insensitive to the diagnosticity of the feelings when resources are unavailable.

## "Metacognition and Emotion: The Dynamics of Emotions and Confidence"

*Pablo Brinol, Universidad Autonoma de Madrid*
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*Richard Petty, Ohio State University*

A significant amount of research confirms emotions play a critical role in consumers' response to persuasive efforts (Petty et al. 2001) and behavior more generally (Pham 2007). In this talk, we examine the role of emotions in consumer behavior from a metacognitive perspective. The idea of meta-cognition relies on the distinction between two types of cognitions: primary and secondary. Primary thoughts are those that occur at a direct level of cognition such as "I feel very happy today." Following a primary thought, people can also generate "secondary cognitions" or thoughts which involve reflections on the first level thoughts (e.g., "I am not very certain about how well I am feeling today"). Thus, *metacognition* can be thought of as second order thoughts, or thoughts about one's primary thoughts.

Perhaps one of the most important meta-cognitive judgment consumers' can make is with respect to the confidence one has in one's beliefs (Alba and Hutchinson 1989; Gross, Holtz, and Miller 1995). We present two research findings converging on the importance of meta-cognition in relation to confidence. Specifically, we focus on how emotions can be affected by confidence at the meta-cognitive level and how emotions can affect confidence at the meta-cognitive level. Taken together, we offer a novel theoretical framework based on meta-cognition to understand the role of emotions in consumer behavior.

*Confidence Can Shape Emotions*. Extensive research has shown that when people think about personal experiences of emotion they report feeling in line with those past episodes. That is, our emotions are affected by the thoughts we generate. In our first set of findings, we examined whether confidence can moderate the influence of those thoughts in affect. We predicted that the confidence associated with one's emotional thoughts would influence the experience of emotion. To examine this, participants were asked to write about recent situations in which they felt happy or sad. After describing their emotional episodes, and as part of an apparently unrelated study, we manipulated confidence by asking participants to think about situations in which they had felt confidence or doubt in their thinking (see Briñol, Petty, and Tormala 2004).

Those who generated instances of confidence became more confidence of the validity of their previously induced emotional thoughts than those who generated instances of doubt. Thus, participants who wrote about past events of happiness reported feeling happier when they were induced to have confidence in those emotional thoughts (confidence condition) than when they were induced to doubt those emotional thoughts (doubt condition). Conversely, participants who wrote about past events of sadness reported feeling sadder when they were induced to have confidence versus doubt in their emotional thoughts. Viewed differently, this interaction between the mood and confidence inductions revealed that the direction of the primary emotional thoughts only influenced the affective state reported by confident participants. In a second experiment, we replicated these findings using a different manipulation of confidence based on an ease of retrieval paradigm (e.g., Tormala, Petty, and Briñol 2002). In this experiment we expected and found that the confidence induced by ease (vs. difficulty) affects not only the reported experience of emotion but the reliance on one's emotion in actual judgments.

*Emotions Can Affect Thought Confidence*. In the second set of findings, we examined whether the relationship between emotion and confidence could be reversed, such that emotions could influ-

ence confidence in one's cognitions. This signifies a situation where primary cognitions are influenced by emotional secondary thoughts. Indeed, according to appraisal theories, one of the critical dimensions along which emotional experience varies is the certainty-uncertainty dimension (Smith and Ellsworth 1985). For example, happiness is often accompanied with greater confidence than sadness (Clore, Gasper, and Garvin 2001; Tiedens and Linton 2001). If mood can influence confidence, people in a happy mood should be more reliant on their thoughts than people in a sad mood. As a consequence, mood might increase or decrease persuasion depending on the direction of the thoughts generated in response to the advertisement. That is, attitudes should reflect the valence of thoughts to a greater extent when participants are placed in a happy mood following the ad as opposed to a sad mood because happy mood would increase reliance on the generated thoughts.

We tested this logic in a series of experiments. In the first experiment, participants received an ad composed of strong or weak arguments. This manipulation was intended to influence the direction of the thoughts generated with more favorable thoughts toward the message after the strong rather than the weak message (Petty and Cacioppo 1986). Then, as part of an ostensibly unrelated study, participants' mood was manipulated by asking them to write down personal experiences in which they felt happy or sad. Following the mood induction, participants reported their attitudes toward the proposal of the ad. Consistent with predictions, we predicted and found that mood interacted with argument quality to influence persuasion. Participants exposed to a strong ad (thus generating predominately favorable thoughts) showed greater attitude change with positive mood than negative mood. However, participants who were exposed to the weak version of the ad (thus generating mostly unfavorable thoughts) showed greater persuasion with negative than positive mood. Viewed differently, this also indicates that the effect of argument quality on attitudes was greater with positive than negative mood. Of importance, a second experiment in which participants reported the confidence they had in their thoughts revealed that differences in confidence mediated our observed effects. Furthermore, thought confidence induced by mood influenced attitudes only under high elaboration conditions.

*Contributions and Conclusions.* Taken together, the present findings significantly advance our understanding of the role of emotions in consumer behavior. In particular, while past research has examined emotion at the primary level of cognition, the present research demonstrates important advantages from taking a meta-cognitive perspective in examining emotions. Specifically, not only are consumers' emotions affected by metacognitive confidence, but emotions can also affect metacognitive confidence. This provides a number of interesting insights for future research.

### "The Effect of Mood and Lay Theories of Emotion on Self Regulation"

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Over their lifetimes, most people want to improve their lives, be healthy, succeed professionally in the future, and grow to become better, kinder, and nobler individuals, for example by being more charitable. In the moment, most people also want to improve their mood, eat foods that are tasty and not necessarily healthy, relax rather than agonize about their everyday professional endeavors, and avoid exposing themselves to negative information about the unfortunate circumstances of others who need help. This choice, of whether to pursue self regulation or to pursue mood regulation, poses a dilemma for most individuals: should one accept short-term pain and exert self-control to accomplish self improvement or should one pursue mood improvement? What determines the choice

that people finally make, and what role does a person's current mood play in this decision?

Previous research on mood poses an apparent contradiction in addressing the effects of mood on self-control. On the one hand, some researchers have suggested that mood is a signal of the extent of goal progress (Carver and Scheier 1998; Hsee and Abelson 1991). Thus, a positive mood signals that adequate goal progress has been made and efforts can now be conserved, a negative mood signals that more effort is required. In self-improvement tasks, unhappy participants therefore outperform happy participants. In contrast, other researchers have attested that positive (vs. a negative) mood is a resource that facilitates self regulation (Raghunathan and Trope 2002). More recently, Fishbach and Labroo (2007) demonstrated that a positive mood lowers the threshold for adopting any goal that is accessible, and that happy participants do more of self regulation or mood regulation based on whatever goal is accessible, but question remains regarding what determines goal importance and which goal will be seen as more important? In the current research, we propose that people have lay theories about emotion transience and whether they choose a goal of self improvement or of mood improvement depends on the lay theory of emotion transience and the current mood.

We draw on research on implicit theories which suggests that people have naïve beliefs about the nature of intelligence and self-control—that they are malleable (changeable) or fixed (unchangeable; cf. Dweck 1999; Mukhopadhyay and Johar 2005). These lay theories have been shown to differentially influence goal-directed behavior. We propose that people similarly have beliefs about emotion, that emotion is relatively malleable (changing) or fixed (unchanging), which influence their self-control efforts and the kinds of goals (self improvement or mood improvement) they choose to follow. In particular, we propose that people who implicitly believe that emotion is malleable (transient) choose mood management (over self improvement) when they are feeling a positive (vs. a negative) mood. That is, because malleable theorists believe that emotions will pass, they believe that effort is required to improve ones mood feeling positive (otherwise it will pass) and effort is not required to improve ones mood feeling negative (it will pass). In contrast, people who implicitly believe that emotion is fixed choose mood management (over self improvement) when they are in a negative (vs. positive) mood. This is because if emotion is fixed (stable), effort must be invested into mood improvement when one is in a negative mood (it will not pass on its own), and effort need not be invested into mood management when one is feeling good (it will not pass on its own). For example, consumers who are malleable theorists should choose healthy foods when feeling unhappy but tasty foods when feeling happy, because the currently experienced emotion will pass by on its own. In contrast, consumers who are fixed theorists should choose healthy foods when feeling happy but tasty foods when feeling unhappy, because the current emotion will not pass by itself.

Five experiments provide support to these arguments. In experiment 1, we primed lay theories of emotion by appropriately adapting passages used by Dweck and her colleagues to prime lay theories of intelligence, and induced mood by having participants write about a happy or unhappy life event. In a second, unrelated task, participants read an ad appeal for Save the Children and stated an amount of donation to the charity. As predicted participants primed with malleable emotion theory self-regulated and donated more when they were feeling unhappy (vs. happy). In contrast, participants primed with fixed emotion theory self-regulated and donated more when they were feeling happy (vs. unhappy). Experiment 2 conceptually replicated this effect. We induced mood by exposing respondents (all dieters) to line drawings of smiling

versus frowning faces and then primed emotion theory by asking respondents to color the face with a thick tip sharpie or a thin micro-tip pen. We expected that participants coloring the drawing with a thick (vs. thin) tip pen would misattribute the transience of the task to transience of the emotion. That is, participants coloring a smiling (frowning) face with a thick-tip pen would feel that happiness (unhappiness) is transient. Participants coloring a smiling (frowning) face with a thin-tip pen would feel that happiness (unhappiness) is lasting. All respondents subsequently chose between a healthy apple and a high calorie chocolate bar. As expected, participants who used the thick-tip pen chose chocolate more often when they colored a smiley vs. frowney face. In contrast, participants who used the thin-tip pen chose chocolate more often when they colored a frowney vs. smiley face.

Experiment 3 replicated the effect observed in experiments 1 and 2, but with measured lay theories. Respondents who tended to agree with items stating that emotions are transient exerted more self-control (choosing an apple over chocolate, donating more to charity) when feeling unhappy (vs. happy). Fixed theorists exerted more self-control (choosing an apple over chocolate, donating more to charity) when feeling happy (vs. unhappy). Interestingly, when their beliefs were made salient through a misattribution manipulation, respondents corrected for their choices and the differences were no longer observed. Experiment 4 further tested whether the lay theories are about emotions in particular or about transience/stability in the world in general and found evidence in support of the former. Experiment 5 demonstrated that lay theories are about emotion transience in an alternative way. Taken together, these thus studies provide clear evidence that people have lay theories about emotion transience, and the accessibility of those theories along with the current emotion that consumers are feeling interactively determine their choices of whether they choose to manage their mood or to exert self-control efforts.

### "From Feelings to Judgments: Constructing Heuristics on the Spot"

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*Jing Xu, Peking University*
*Hyunjin Song, University of Michigan*
*Hyejeung Cho, University of Texas, San Antonio*

Two decades of feelings-as-information research have shown that people draw on their feelings (moods, emotions, bodily sensations, and metacognitive experiences like fluency of perception and ease of recall) as sources of information (for a recent review see Schwarz and Clore 2007). This is not the case when the feeling is attributed to an unrelated source (e.g., Schwarz and Clore, 1983; Schwarz et al., 1991), thus undermining its informational value. Moreover, the weight given to feelings depends on their perceived relevance to the task at hand; for example, feelings receive more weight in hedonic than utilitarian judgments or when choosing for the self rather than another (see Pham 2004). In addition, people don't rely on their feelings when they think they can't trust them (e.g., Avnet and Pham, this session). All of these assessments of the informational value of feelings involve the application of naïve theories of affective processes, which bear on the relevance of the feeling to the task at hand. However, the importance of naïve theories goes beyond these assessments and naïve theories are central to a very basic but largely ignored question: Which information does a given feeling convey?

A growing body of findings indicates that the same feeling can result in different, and sometimes opposite, conclusions. We trace this malleability to the role of naïve theories that link the feeling to the target of judgment. Specifically, we assume that people hold multiple naïve theories about feelings (as illustrated below). Which of these theories is recruited depends on the judgment task and other contextual influences. Application of a given theory entails an explanation of the feeling in terms of a specific cause; this renders the feeling nondiagnostic for inferences that require a different theory, entailing a different cause.

As an example, consider naïve theories about the metacognitive experience of ease of recall. People assume, for example, that it is easier to recall examples when (i) there are many in the world or (ii) when they have high expertise in a domain. To manipulate experienced ease of recall, participants in one of our studies listed few (easy) vs. many (difficult) fine restaurants. When first asked how many fine restaurants there are, they inferred a higher frequency from ease, replicating the usual finding predicted by Tversky and Kahneman's availability heuristic; but when first asked about their expertise, they inferred high expertise from ease of recall. Note, however, that this initial inference of expertise entails an attribution of ease to expertise, which renders the experience uninformative for a subsequent frequency judgment–after all, experts should be able to recall examples even if there aren't that many in the world. Participants now turned to the content of recall and inferred a higher frequency after listing many rather than few examples, resulting in higher frequency estimates under conditions of difficult recall. This observation reverses the classic availability pattern. Conversely, an initial inference of high frequency entails an attribution that renders the experience uninformative for later judgments of expertise–after all, if there are many restaurants, even non-experts can recall a few. As a result, participants now inferred higher expertise after listing many rather than few examples, again reversing the pattern.

Other experiments extend this conceptual logic from metacognitive experiences to the inferences drawn from moods and bodily sensations. Throughout, the findings highlight (i) that inferences from feelings are guided by naïve theories about the processes that give rise to feelings; (ii) that applicable theories are recruited by the judgment task; and (iii) that application of a given theory entails an attribution of the feeling that changes its informational value for tasks that require the application of alternative naïve theories.

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# Indulgence and Guilt: Evaluating the Boundaries of Consumers' Guilt-Management Strategies

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## SESSION OVERVIEW

A large body of research has examined the conflicts consumers face in making choices between hedonic and utilitarian options. "Hedonic" and "utilitarian" refer to two dimensions of the consumption experience distinguished by the level of affect and emotion evoked by, and the motivation to engage in, the consumption. Hedonic consumption, which is experiential in nature refers to "multi-sensory, fantasy and emotive aspects of one's experience with products" (Hirschman and Holbrook 1982) while utilitarian consumption is instrumental and functional in nature (Dhar and Wertenbroch 2000; Strahilevitz and Myers 1998). A number of choice conflicts have been examined under the broad "hedonic-utilitarian" choice umbrella (Khan, Dhar, and Wertenbroch 2005), such as choices between hedonic and utilitarian options (Dhar and Wertenbroch 2000), luxuries and necessities (Kivetz and Simonson 2002a,b), frivolous and practical consumption (Strahilevitz 1999; Strahilevitz and Myers 1998), vices and virtues (Read, Loewenstein, and Kalyanaraman 1999; Wertenbroch 1998) "shoulds" and 'wants" (Bazerman, Tenbrunsel, and Wade-Benzoni 1998), affective and cognitive preferences (Shiv and Fedorikhin 1999) and "affect-rich" and "affect-poor" (Hsee and Rottenstreich 2004) consumption.

Most of this stream of research implicitly assumes that "hedonic" and "utilitarian" are end-points on a bipolar continuum. Further, much of the research has focused on the inhibitory role of guilt in restricting indulgence. Hedonic options are pleasurable and guilt-laden, utilitarian options are less pleasurable and result in no guilt. Justifications, such as higher effort (Kivetz and Simonson 2002a), type of resources (O'Curry and Strahilevitz 2001) or virtuous behavior in another domain (Khan and Dhar 2007) free consumers to choose the hedonic option; in the absence of such justifications, consumers are more likely to choose the less pleasurable but also less guilt-laden utilitarian option.

Despite considerable progress in this area, it remains a fertile area for research. This session seeks to address a number of questions. Is the typical depiction of options as either hedonic or utilitarian representative of the complex choices that consumers make? We believe not, given the recent introduction of mixed products (heart-healthy chocolate, vitamin-enriched sodas) that attempt to combine pleasure with lack of guilt. Second, do consumers respond to all kinds of justification or only selectively? Finally, do consumers always seek guilt-management strategies? Is guilt always avoided? In this session, we attempt to discuss these questions about indulgence and guilt-management by considering complex products and situations.

This session comprises three papers. The first two papers examine how consumers perceive complex hedonic-utilitarian mixtures either in product form (mixed indulgence) or as a product bundle. The two papers together highlight the boundary conditions of guilt-management strategies. The third paper complements the first two papers by discussing the motivating role of guilt which may lead some farsighted consumers to seek, rather than avoid, guilt. Together these three papers shed light on consumers perceptions of complex products while highlighting conditions under which traditional guilt-management strategies may not work.

Saldanha and Williams examine consumers' perceptions of "mixed indulgences"–hedonic products with added utilitarian attributes. Across several experiments the authors find that the hedonic dimension comprises not just one factor (as previous research has shown) but two factors–a "pleasure" factor and a 'sin' factor. In this three-dimensional space, mixed indulgences are perceived to be less sinful and more utilitarian, but not less pleasurable, than the corresponding pure indulgence. Despite these positive perceptions, mixed indulgences are less likely to be chosen than the corresponding pure indulgence. The results of their studies suggest that mixed indulgences as guilt-management studies may not always resonate with consumers.

Khan and Dhar discuss consumers' perceptions of product bundles containing a hedonic and an utilitarian product. The authors show that consumers are more likely to purchase the bundle if a price discount is offered on the hedonic item than if the same price discount is offered on the utilitarian item in the bundle or on the entire bundle. This finding suggests that consumers do not aggregate the pleasure and guilt in a hedonic-utilitarian bundle but treat each part of the bundle separately.

Finally, Dai, Wertenbroch, and Brendl demonstrate that far-sighted consumers may actually seek guilt as a motivating device to solve self-control problems that are essential for the success of future task completion. This guilt seeking for the purpose of building up motivation thus systematically affects consumer preference and choices.

This session should benefit the growing body of researchers working in the area of hedonic consumption and self-control. We also expect it to benefit research on consumption emotions as guilt has not been extensively examined in the domain of consumption emotions. Finally, we expect that the mixed nature of the products discussed will benefit those who work in the area of mixed affective and emotional experiences. The discussion leader, Baba Shiv, will synthesize the three papers and address their distinct contributions in the light of additional work in psychology, consumer behavior and now neuroeconomics that addresses affective-cognitive distinctions.

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## EXTENDED ABSTRACTS

### "Mixed Indulgences: When Removing Sin May Backfire"

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Research on the hedonic-utilitarian choice conflict has typically presented consumers with choices between "hedonic" or "utilitarian" options, a binary choice which implicitly assumes that hedonic-utilitarian perceptions lie along a single bipolar continuum. Although researchers have theoretically demonstrated that the hedonic-utilitarian space is bivariate (LeClerc, Schmitt, and Dubé 1994; Voss, Spangenberg, and Grohmann 2003), little prior research has examined consumer reactions to choices that might be both hedonic and utilitarian. At the same time, a number of new products are being launched in exactly this mixed space –baked crisps, heart-healthy chocolates by Mars Inc. (Barrionuevo 2005) and recently, the announcement of vitamin-enriched sodas by Pepsi & Coke (Martin 2007). In this research, we examine consumers' hedonic and utilitarian perceptions and their evaluation and choice of such mixed products. We examine a specific kind of mixed product: a hedonic option with added utilitarian attributes, which we term a "hedonic-plus" mixed indulgence. Examples of this kind of mixed indulgence in our studies are heart-healthy chocolate cake with flavonols, protein enriched potato chips, calcium-enriched cheese curls.

Across several studies, we find that, contrary to previous research, the hedonic-utilitarian space is not a continuum or even a bivariate space, but rather, a three-dimensional space. Specifically, while the "utilitarian" construct is consistent with past research, the hedonic construct is not, as previous research suggests, a uni-dimensional construct. Instead it comprises two factors: a "pleasure" factor and a "sin" factor, thus suggesting that consumers perceive simultaneous and separate "good" and "bad" sides of indulgence. Further, our research suggests that adding utilitarian attributes to an indulgence may change perceptions along one dimension (sin) without affecting perceptions along the other dimension (pleasure) and this may have implications for evaluation and choice of such mixed products.

In Study 1, we presented subjects with a variety of pure (mixed) indulgences and asked them to rate the products on hedonic/utilitarian perceptions and evaluate the products. A factor analysis on hedonic-utilitarian perceptions suggests a three-factor structure that explains 89% of the variance. On the utilitarian dimension a single consistent factor emerges. On the hedonic dimension, however, we find evidence for two factors, reflecting the conflicting nature of indulgence. The first factor we term as "pleasure" comprises high factor loadings on items such as "pleasurable", "enjoyable", "delightful," "fun." The second hedonic factor comprises high loadings on the terms "sinful", "a vice", "harmful", "frivolous". We term this second factor the "sin' factor.

This three-dimensional model allows for specific changes along the dimensions: mixed indulgences are perceived as more utilitarian than pure indulgences. They are also perceived to be less sinful although they are not perceived to be significantly less pleasurable than pure indulgences. At the same time, mixed indulgences are not evaluated more positively than pure indulgences.

In Study 2, we examined choice for the mixed versus pure indulgence. In this study subjects were exposed to one of two choice sets from which they had to choose one item as a dessert. In the control (experimental) condition subjects were exposed to a choice set containing three items: a pure indulgence i.e. ice-cream, a pure utilitarian product i.e. fruit salad and the indulgence under study i.e. chocolate cake (heart-healthy chocolate cake). We find that despite evaluations suggesting that mixed indulgences might be a superior option (equally pleasurable, more utilitarian and less sinful than pure indulgences) mixed indulgences actually fare worse than pure indulgences on choice: the choice share of the mixed indulgence falls significantly from the pure indulgence condition to the mixed indulgence condition (65% vs. 43%), ($p<.05$).

In Study 3, we show that intentions to choose a mixed indulgence are moderated by temporal construal (Fujita et al. 2006) that changes the relative salience of pleasure and sin factor. A distant time horizon increases preference for the mixed indulgence, a prediction consistent with construal-level theory. Abstract construals of mixed indulgence which incorporate the lower sin and higher utility relative to the pure indulgence are more attractive than concrete construals which focus on the pleasure obtained in indulgence. However, near time horizons highlight the pleasure factor in indulgences and lead to preferences for pure indulgences over mixed ones.

In addition to these studies, we will also discuss the difference that process makes to final evaluations of mixed indulgences. Drawing on the negativity dominance and contagion literature (Baumeister et al. 2001; Rozin and Royzman 2001), we propose that adding utilitarian attributes to hedonic products results in a mixed indulgence that is negatively evaluated, while adding hedonic attributes to utilitarian products leads to a mixed indulgence that is positively evaluated relative to the base product.

Our research makes contributions to both theory and practice by exploring a new space in the hedonic-utilitarian domain to uncover two dimensions of indulgence. Further, the separability of

the "good" and "bad" face of indulgence has implications for when mixed indulgences, with their promise to remove sin, might succeed with consumers and when they might backfire.

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## "Differential Effectiveness of Discounts in Product Bundles"

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Marketers often encourage purchase aggregation through contingent discounts to stimulate demand (Guiltinan 1987). The current research examines whether a contingent discount on certain items in the bundle is more effective than an equivalent discount on the bundle as a whole when the shopping basket contains both hedonic and utilitarian components. Several studies suggest that the purchase of hedonic goods is often associated with disutility beyond its monetary costs, e.g., higher pain of paying (Prelec and Loewenstein 1998), guilt from indulgence, and difficulty of justification (Okada 2005; Dhar and Wertenbroch 2000). Because of these differences in hedonic and utilitarian products, we propose that a bundle purchase is more likely when a discount is offered on the hedonic item rather than on the utilitarian item or the bundle. We explain that a discount provides a justification that can increase the likelihood of hedonic purchases while such justifications have little impact on utilitarian consumption as it faces lower disutility. Our proposition is hard to reconcile with the economic notion of fungibility, which would argue that $10 saved should feel like $10 regardless of the item on which this saving is incurred. However, the reasoning is intuitive if saving money on a hedonic item is psychologically more rewarding than saving the same amount on a utilitarian item. Five studies demonstrate our proposed effect.

Study 1 used a reading lamp as a utilitarian and a soundcard as a hedonic item in a bundle offer. Participants saw a hypothetical scenario in three conditions that offered a discount on different components of the bundle. Participants imagined that they were shopping for a lamp when they come across this special offer -Buy a $50 soundcard (for intense gaming) with any $50 lamp and get $10 off the soundcard (lamp, total purchase). Thus, the total cost of the items was kept constant across the three conditions while the discount was placed on the lamp, the soundcard or the bundle. Participant then indicated the likelihood of buying the bundle on a 9-point scale. The data show that purchase likelihood of the bundle was significantly higher (M=6.3) when the discount was on the soundcard than on the lamp (M=4.1, t(45)=4.33, p<0.05) or on the bundle (M=4.96, t(46)=2.55, p<0.05). Moreover, when the discount was on the bundle the purchase likelihood of the bundle was higher than when the discount was on the lamp (t(45)=1.85, p=0.07). The results are consistent with the idea that a discount is more effective on a hedonic item as it provides an added justification for the purchase. Although, people can reallocate savings as they want, the results suggest that the discount earned remains associated with the item on which it is offered.

An alternative account for these results could be that a discount is most effective when placed on the item which is not part of the shopping plan in the instructions. Study 2 ruled out this possibility by focusing on bundle purchase in two conditions that used a blender as an unintended purchase option. Specifically, participants imagined that they were at a mall to purchase the lamp when they find the deal bundling the lamp with a blender. The blender was either framed as hedonic (for making cocktails) or utilitarian (for making healthy shakes). Other instructions and measures were same as in Study 1. If placing a discount on the unintended item is driving the results then framing the blender as hedonic or utilitarian should not affect the purchase likelihood of the bundle. However, if hedonic or utilitarian nature of the purchase is responsible for our results then the effect observed in Study 1 should attenuate when the blender is framed as utilitarian. The main result was replicated. In the hedonic framing, the purchase likelihood of the bundle was significantly higher when the discount was on the blender (M=6.6) than when the discount was on the lamp (M=5.25; t(68)=3.02, p<0.05). Moreover, there was no significant difference in the purchase likelihood of the bundle in different conditions (t(68)=1.01, p=*ns*) when the blender was framed as utilitarian.

Study 3 tests whether the difficulty of justification moderates the effect. Past research shows that buying something as a gift does not have the usual guilt and difficulty of justification that is associated with hedonic purchases (Thaler 1985). We predict that the effect observed in Study 1 would diminish when the blender is purchased for a gift. Participants imagined that they were buying a lamp for themselves when they come across a deal bundling the lamp and a blender for making exotic cocktails. In one condition participants were told that the blender will make a great gift for their roommate while in the other they were suggested that the blender would be an exciting addition to their kitchen. Results show that placing the discount on the blender significantly increased the purchase likelihood of the bundle when the blender was for personal use (t(65)=2.36, p<0.05) but not when it was for a gift (t(68)=0.44, p=*ns*). In other words, a discount on the blender increased the purchase likelihood of the bundle when it provided an added justification and not when the justification was inherent in the purchase.

Finally, Study 4 shows that the guilt anticipated in a hedonic purchase mediates the proposed effect of discount framing, and Study 5 demonstrates the effect with real choices. An interesting implication of these studies is that people process the discounts as they are offered and do not aggregate across different items. This is consistent with mental accounting research showing that money is not treated interchangeably. Furthermore, our findings suggest that people may not be motivated to interpret a discount in a manner that makes it easier to purchase the hedonic item.

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### "Strategic Motivation Maintenance: The Case of Guilt-Seeking"

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Imagine that a consumer, who is very interested in history, is planning to visit three historical sites accessible by foot only. He decides to buy a pair of hiking boots for that purpose. Consider the following two situations: in one he has to visit all three sites (due to external constraints) to be able to return to the hotel in which he stays. In the other situation he can quit at any point of the hiking trip and return to the hotel easily. In which situation would he be more likely to buy expensive hiking boots (rather than cheap ones) if he wants to visit all three sites? We predict and show that consumers are more likely to buy expensive boots in the latter situation, in which they are faced with a variable-effort self-control task (rather than a fixed-effort task as described in the former situation). We propose that consumers are more likely to choose expensive boots in the latter situation because they want to motivate themselves to finish the task. Buying more expensive boots can make themselves feel guilty, which, in turn, leads to higher motivation to finish the future task (hiking to all three sites). That is to say, consumers strategically choose a guilt-laden option (vice rather than virtue option) to build up their motivation for the future task.

More generally, we propose that people have a lay theory of the positive relation between experienced guilt and motivational intensity. Based on such a lay theory, far sighted consumers strategically choose guilt-inducing vice options to enhance their motivation to engage in a subsequent self-control task when they feel they need strong motivation, and/or when they feel they don't have enough motivation for the tasks. This form of self-induced motivational commitment, or motivation maintenance, is related to self-control by precommitment (e.g., Hoch and Loewenstein, 1991; Scitovsky 1992; Wertenbroch and Carmon 1997, Wertenbroch, 1998), according to which consumers self-impose constraints on their future ability to give in to temptation.

Our empirical tests of this proposition include two parts. In the first part, we test consumers' lay theory about the relation between experienced guilt and motivational intensity. In the second part, we examine whether the motivational concern about a future self-control task predicts consumers' preferences for vice and virtue options.

In study 1, students primed with guilt predicted that they would be more motivated, study longer hours, and devote a higher percentage of time to studying in the upcoming semester. In study 2, we manipulated the importance of the future task and asked participants to predict their motivational level after engaging in two different activities: resting at home or going to a party. The results showed that for an unimportant future self-control task (studying for an unimportant exam), resting led to greater predicted motivation and effort input, whereas for an important future task (studying for an important exam), going to the party led to greater predicted motivation and effort input. These studies imply that consumers have a lay theory about the relation between guilt and motivation. Furthermore, consumers put more weight on their mental energy (motivation) versus psychical energy when the future task is important than when it is unimportant.

In the second part, we tested whether consumers would make choices based on strategic motivation maintenance and thus prefer guilt-laden options. Consistent with our prediction, we found the following: (1) Participants who had failed in a preceding self-control task were more likely than those who had succeeded to go to a bar rather than stay at home the evening before they wanted to quit smoking, presumably to build up their motivation for the upcoming self-control task (study 3). (2) Participants who faced a future self-control task, in which they could freely choose their effort level (from one to three days of volunteer work), were more likely than participants who faced a task with fixed effort levels (three days of volunteer work) to attend a party than to stay at home, again, for the purpose of motivating themselves to work longer (study 4). (3) Furthermore, consumers with a variable-effort future self-control task (5-15 miles of hiking) were more likely to buy luxury hiking boots than those facing a fixed task (15 miles of hiking) (study 5). (4) Finally, when the future task was important, those who were less confident in their ability to finish the task were more likely to reward themselves before the task (rather than after the task) than those who were more confident. In contrast, when the future self-control task was not important, the rewarding timing choice is not different between those who are more and less confident in their ability to finish the task, again consistent with our proposition that consumers self-induce guilt to build up their motivation for future task. These results provide converging evidence for our hypothesis of strategic motivation maintenance and cannot be explained by other theories of sequential decision making such as licensing (Khan & Dhar, 2006).

Our results have important implications in a number of fields. First, contrary to all the previous literature on emotions, which suggests that people avoid negative emotions, we demonstrate that people sometimes strategically self-induce guilt, a specific type of negative emotion. Second, empirical research on the role of specific emotions in self-control is lacking (Loewenstein & O'Donoghue, 2006). We try to identify conditions, under which people use self-induced emotional states as a means of self-control, demonstrating the mediating role of emotions underlying many self-control strategies.

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SYMPOSIA SUMMARY
# Consumer Response to Aesthetic Aspects of Product Design: 1-, 2-, and 3-Dimensional Perspectives
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## SESSION OVERVIEW

The aesthetic responses of consumers to product designs (and their effects on purchase, usage, and satisfaction) are issues of considerable interest to both consumer researchers and managers of new product development. The objective of this session was to present a collection of research projects that have drawn from both areas for theory, method, and data. Thus, it should be of interest to both academics and practitioners

Most of the existing work on product design has been concerned with visual aesthetics or how consumers respond to a product's aesthetic aspects (Veryzer and Hutchinson 1998, Block, Brunel, and Arnold 2003; Chitturi, Raghunahan, and Mahajan 2007; Hoegg and Alba 2005). Building on previous research, our session revisits product aesthetics from several new angles. More importantly, our session aims at examining product design from more comprehensive perspectives including, but not limited to, aesthetic inquiry. Product design is defined as "the professional service of creating and developing concepts and specifications that optimize the *function*, *value* and *appearance* of products and systems for the mutual benefit of both user and manufacturer" (the Industrial Designers Society of America). The three papers in this session investigate how consumers respond to a product's *appearance* (or *form*) differently (Brunel and Swain), how they respond to a *form-function* entity as a semantic unity (Luchs et al.), and how they respond to a synergy or gestalt of *form*, *function*, and *value* as these elements being reintegrated by a visual metaphor (Deng and Hutchinson), respectively. Our 1-, 2-, and 3-dimensional inquiries generate contributions to the consumer literature and insights for design management.

Prior research on product aesthetics emphasized variations on the part of products. Variations on the part of consumers have been largely ignored. Although Block, Brunel, and Arnold (2003) explored individual differences in the centrality of visual product aesthetics (CVPA), they treated this variation as a stable, trait-like concept. Extending this line of research, our first paper, by *Brunel* and *Swain*, investigates how consumers' aesthetic evaluations of products are influenced by a dynamic interaction between their individual characteristics and their aesthetic perceptions of the product's categorical stereotype and ideal. In one laboratory and two national field studies, they found that aesthetic evaluations arise from (1) the perceptual distance between the product and the stereotype (novelty) and (2) the perceptual distance between the product and the ideal (concinnity). Moreover, the relative weight that consumers place on each distance is moderated by their aesthetic "expertise," as measured by the CVPA. While focusing on one dimension (aesthetics) their paper discovers the hidden "meaningful heterogeneity" ignored by previous research on this dimension.

Our second paper, by *Luchs*, *Raghunathan*, and *Mahajan*, examines the *semantic unity of form and function* of a product, extending previous research (e.g., Veryzer and Hutchinson 1998) in an important way. Moreover, they generalize "form" to visual representations such as abstract shapes, concrete product forms, and brand logos; and "function" to verbal representations including words, product functionality, and brand positioning. Their experiment shows that shape-word pairings that are semantically more

unified are preferred to pairings that lack such a semantic match. They plan to replicate this finding in product design and corporate identity design contexts. They expect that a semantic match between a product's visual design and its functional description would lead to higher product evaluations. By the same vain, semantically unified logo design and brand tagline would contribute to more favorable brand attitudes. Their research extends the concept of unity from 1-dimentional to 2-dimentional domain of product design.

Norman (2004) developed a three-level model of how consumers respond to product design basing on empirical evidences that human brain enables three levels of processing, namely the visceral, behavioral, and reflective level. He proposed that the design of human artifacts should be concerned with these levels. Drawing upon Norman's theory, our third paper, by *Deng* and *Hutchinson*, focus on a product's *visceral design* (which is about the initial impact of a product; about its appearance, touch, and feel), *behavioral design* (about the pleasure and effectiveness of use; about its function, understanding of function, and usability), and *reflective design* (about how a product evokes meanings and remembrances in users and how it defines the user's self-image). In light of McQuarrie and Mick's (1999) work on visual rhetoric, and seeing product design as a unique form of persuasive communication, they posit that a *visual metaphor* increases the product's persuasiveness via its effects on the three levels. Two experiments (the second one was conducted in two countries) support their claims. This is also the first consumer research to empirically tests Norman's theory and, as such, complete the progression across the papers with a 3-dimentioanl inquiry into consumer responses to product design.

## EXTENDED ABSTRACTS

### "A Moderated Perceptual Model of Product Aesthetic Evaluations"
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Researchers in marketing and consumer behavior have begun to develop a theoretical base and a body of evidence pertaining to consumers' evaluations of product aesthetics. However, statistical effects that are generalizable across products or settings have proven elusive. Although it could be argued that this reflects a pervasive idiosyncrasy in aesthetic evaluations, it may also be the case that existing models have not yet identified or accounted for "meaningful heterogeneity" in design evaluations (Holbrook 1986). We examine the potential for interactions between product and consumer characteristics to capture such meaningful heterogeneity.

In this research, we take a contingency perspective, where aesthetic preferences are seen as the result of systematic interactions between consumers' and product designs' characteristics. We propose that consumers hold mental models for each product category they consider and that products share aesthetic features that individuals can interpret in fairly consistent ways. For example, most consumers would tend to agree that an Apple iPod has a "unified, balanced and simple look," yet they may disagree on how

desirable each of these aesthetic properties is, and how much variation around each one they may enjoy or tolerate. We develop and test an integrative model that provides a more comprehensive account of how aesthetic evaluations are formed.

The model is built on four vectors of data: (1) consumers' perceptions of a target product's aesthetic characteristics, (2) consumers' perceptions of the aesthetic characteristics of the self-identified "stereotypical" product in the category, (3) consumer's perception of the aesthetic characteristics of their "ideal" product in the category, and (4) consumers' own characteristics (in particular as measured by the Centrality of Visual Product Aesthetics, CVPA, Bloch, Brunel and Arnold 2003). Extending the existing conceptualization of the first three elements (Coates 2003), we undertake algebraic formalization of the relationships therein. Through the model, we build an aesthetics perceptual space for the product and category at hand. For a given product in a specific category, we can measure perceptual evaluations (using semantic differential scales) for a relevant series of aesthetic dimensions for the product, the category stereotype, and the category ideal. We can use these vectors of data to compute several perceptual distances and then locate each object in a perceptual space. The first distance of interest is the perceptual distance between the object and the stereotype (DS$_i$), and it can be conceptualized as a measure of novelty. The second measure of interest is the perceptual distance between the object and the ideal (DI$_i$), and can be conceptualized as a measure of design concinnity (i.e., harmony, beauty). Further, we can conceptualize the distance between the stereotype and the ideal as a measure of design potential.

Although previous conceptualizations have struggled to explain why different consumers place different weights on design characteristics that evoke stereotypicality versus novelty, we suggest that much of the variation arises from differences in CVPA. Briefly, the Centrality of Visual Product Aesthetics scale (CVPA; Bloch, Brunel, and Arnold 2003) measures the salience of visual design in a consumer's relationships with products, specifically, it captures the extent to which a consumer (1) values design, (2) responds to design, and (3) evaluates design with skill (acumen). CVPA has been shown to moderate the effect of product design on aesthetic evaluations, product attitudes, purchase intentions, and willingness to pay (Bloch et al. 2003), yet no research has yet examined skill-related outcomes of CVPA.

To assess our conceptualization, we analyzed two national field experiments as well as a controlled laboratory experiment. The field experiments were carried out in conjunction with a major automobile manufacturer and involved nationally representative samples of sport utility drivers. The lab experiment involved university students who participated in return for course credit. Across these three studies, we find consistent empirical support for the notion that product aesthetic evaluation systematically varies with DS$_i$ and DI$_i$., and interacts with CVPA. This suggests that consumers' aesthetic evaluations are not purely idiosyncratic but rather are a function of previous exposure to the category (as represented by the perceived category stereotype) as well as idealized notions of the category (as represented by the perceived category ideal).

Additionally, we find that the visual information conveyed in product a design is differentially available to consumers and that CVPA scores are predictive of this heterogeneity. Of course, it is important to keep in mind that consumers' ability to recognize and categorize designs can be (but are not necessarily) independent of their design attitudes and preferences. Still, variation in skill leads to variation in the informational inputs to attitudes and preference, and we can expect consumers with greater skill to have greater

attitude certainty, lower attitude ambivalence, more precisely defined preferences. An important area for future research is to determine the reasons for differences in design evaluation skill. Candidate factors include differences in the way product shapes are stored in memory (e.g., verbal, visual), in knowledge structure (e.g., quantity, density, accessibility), and in visual acuity (e.g., bandwidth, resolution, resources).

### "Form-Function Unity: Understanding the Interactive Relationship between Product Form and Function"

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While past research has demonstrated the importance of product form and product function as independent antecedents of consumers' evaluations of products, the focus of the current research is on examining the interdependent relationship between form and function on consumers' product evaluations. Specifically, we examine product evaluations based on the degree to which a given product's form and function are perceived to be "unified," which we define and operationalize as the degree to which they share common associations or meanings. Our research addresses the following questions.

1. Do consumers prefer products when form and function elements are unified?
2. What factors moderate consumers' preferences for form-function unity?
3. What factors mediate consumers' preferences for form-function unity?
4. Is the preference for form-function unity conscious?

There are several reasons that could lead one to conclude that consumers will, in general, prefer products whose form and function are unified. According to Gestalt theory, people delight in order. As such, product preferences may be guided by holistic features such as unity. For example, Veryzer and Hutchinson (1998) demonstrated that consumers prefer products whose visual elements are perceived to be unified. Also, to the degree that unified products are processed more easily (Banks, Clark and Lucy, 1975), we would expect them to be preferred over disunified products given that objects that are processed more easily tend to be preferred in general (Reber, Schwarz and Winkielman, 2004). Another reason to expect that consumers will prefer unified products is based on the notion of psychological essentialism (Medin and Ortony, 1989). According to psychological essentialism, people assume that objects have an underlying essence or nature. This underlying nature manifests itself in both how the object appears as well as what the object does (i.e., its function). We would expect, then, that unified products will be perceived to make more sense given that form and function share an underlying essence and that, therefore, they will be preferred over disunified products.

While there are several reasons to expect that consumers will prefer products whose form and function are unified, there are also reasons to expect just the opposite, i.e. that consumers might prefer products whose form and function are disunified. Berlyne (1971, 1974) argued that there is an ideal balance between Gestalt preferences for unity, for example, and a need for some optimum level of arousal due to factors such as complexity. As such, consumers might prefer products whose form and function are disunified as long as they are not so extreme as to be incredible or overly complex. In addition, it is possible that under certain conditions, some consumers will base their evaluations on atomistic properties

(e.g., individual features) vs. holistic properties such as unity (Hoegg and Alba, 2005). As such, it is plausible that a disunified product will be perceived as offering greater value given its potential for providing value along more than one dimension (e.g. a "disunified" car that looks powerful and that is described as fuel efficient may be seen as providing both benefits). Evaluations based on atomistic properties require greater elaboration than do evaluations based on holistic properties, and prior research suggests that greater elaboration is likely among consumers with higher product knowledge (Sujan, 1985) and felt involvement (Celsi and Olson, 1988). Thus, we would expect the relative preference for unity (vs. disunity) to be moderated by product knowledge and felt involvement.

In study 1 we demonstrated, using abstract stimuli (shape-word pairs), that people prefer objects whose elements are unified (M=3.57) relative to objects that are disunified (M=3.17), (F(1, 241)=16, p<.0001). Specifically, participants preferred objects whose shapes connoted "strength" when paired with synonyms of "strength," and preferred shapes that connoted "flexibility" when paired with synonyms of "flexibility." This result was statistically significant even when a comprehensive set of potential covariates was included in the analysis.

In study 2, we replicated the main effect of unity in a consumption context, across two product categories. Specifically, participants liked non-alcoholic beverages more when form and function were unified (M=3.98) vs. disunified (M=3.15), (F(1, 55)=26.34, p<.0001); they also liked air purifiers more when form and function were unified (M=6.46) vs. disunified (M=6.12), (F(1, 55)=6.62, p=.01).

The objective of Study 3 was to examine whether product knowledge and felt involvement moderate the effect of unity on product liking. While neither product knowledge nor felt involvement had a significant effect on their own, (F(1, 127)=0.30, p=.58) and (F(1, 127)=1.02, p=.32) respectively, results revealed a significant interaction between product knowledge and felt involvement, (F(1, 127)=6.63, p=.01). As predicted, participants with relatively higher product knowledge who were also relatively higher in felt involvement preferred the disunified pairs to the unified pairs.

Collectively, our studies demonstrate that consumers do, in general, prefer products whose form and function are unified. We argue that this result is primarily due to consumers' desire for order in the world around them. Importantly, the unity effect is qualified by product knowledge and felt involvement such that, when both are high, a relative preference for disunity emerges. Because consumers' qualified preference for form-function disunity (when knowledge and felt involvement are sufficiently high) could be mediated by perceptions of greater complexity and/or by perceptions of higher value, a proposed experiment will be examine whether these processes underlie the preference for disunity. In another experiment, we intend to examine whether consumers are aware of their preference for unity and disunity, i.e. whether they realize that the form-function interaction is influencing their preferences.

### "What You See Is What You Get: The Effects of Visual Metaphor on Consumer Response to Product Design"

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Product design is increasingly being recognized as an important strategy that firms use to create a substantial competitive advantage. A well-designed product sells more, enlarges market share, gains wider distribution, increases margins and carves out new opportunities. For example, by launching a series of groundbreaking products such as iMac, iBook, iPod and the forthcoming iPhone, Apple has revolutionized revitalized itself and reinforced its status as a legend in the history of business. By harnessing the power of design, Apple has cemented a unique position as a force in computing, consumer electronics (via iPod, iPhone), music (iPod again) and movie industry (Pixar).

However, compared to other areas, surprisingly little experimental work has been done to study product design, either by scholars in design field or by researchers of adjacent disciplines such as marketing that share a stake in design. An empirically based, "design science" has yet to emerge—particularly from the perspective of consumer responses to design variables. The goal of the present research is to contribute to the foundation of such a design science.

Product design is defined as "the professional service of creating and developing concepts and specifications that optimize the *function*, *value* and *appearance* of products and systems for the mutual benefit of both user and manufacturer" (the Industrial Designers Society of America). Norman (2004) proposes a three-level (namely *visceral*, *behavioral*, and *reflective*) model of how consumers respond to product design. Building on practitioners' wisdom and Norman's framework in the present research, we divide product design into three relatively independent design levels: visceral, behavioral, and reflective design. We further postulate that *visual metaphor* as a design component can integrate the three levels in a fashion that increases the persuasiveness of a design. Drawing upon McQuarrie and Mick's (1999) work on visual rhetoric in advertising, and seeing product design as a form of persuasive communication, we posit that a visual metaphor increases the product's persuasiveness via its effects on the three levels. Two experiments reported here lend supports to these claims. To our knowledge, this is the first research that empirically tests Norman's theory of design. Moreover, this work extends McQuarrie and Mick's visual rhetoric research from two-dimensional advertising design to three-dimensional product design.

The essence of metaphor is to understand and experience one thing in terms of another (Lakoff and Johnson 1980). At visceral level, because of this "seeing as" or "aspect seeing" nature (Hester 1966), metaphoric experience is akin to mental imagery and aesthetic perception (Aldrich 1958). At behavioral level, because metaphor is meant to communicate an unfamiliar target concept (e.g., a product's function) in terms of a familiar base concept (e.g., the product's "metaphoric" form) via structural mappings between the two (Gentner 1997), it facilitates the understanding of product function. Such understanding further enhances the product's functionality and usability. Finally, at reflective level, because metaphor (and rhetorical figures in general) is an "artful deviation" in the form taken by a statement (McQuarrie and Mick 1999), it "deviates" from the expectations held by a communication encounter, therefore it elicits elaboration. Because such a deviation is "artful," metaphor (and rhetorical figures in general) produces pleasure. Considering its effects on all three levels, but especially its "elaboration" and "pleasure" effects on the reflective level, we expect visual metaphor to render a product more persuasive in the sense that it induces a more favorable attitude and a higher purchase intention in consumers.

In study 1 (N=185), we selected "metaphoric" designs from existing products in the market. We then removed the visual metaphor from the design to create a non-metaphoric, baseline design while keeping other design elements (shape, color, texture, etc.) unchanged (cf. Veryzer and Hutchinson 1998). Our data show that, comparing to the baseline, metaphoric designs were systematically rated higher across nine measures of the three levels as well as

the two dependent measures (product attitude and purchase intention). However, although visual metaphor has a significant effect on the reflective level, its effects on the other two levels were not significant. Nor was its effect on product attitude and purchase intention. In retrospect, we realize that our experimental procedure informed subjects about product function and might have compromised the communication function of metaphor and its effects. Another limitation of study 1 was how we prepared product stimuli. That is, because we constructed baseline design by removing visual metaphor from an existing product, any observed effect of visual metaphor might due to the fact that the "baseline" might have been made "worse" in ways that professional designers would never do.

In study 2, in contrast to study 1, we chose non-metaphoric, baseline designs from actual products available in the market. We then added a visual metaphor to the original design to create a metaphoric version of product while holding other design elements constant. We improved our study procedure so subjects were blind to the function of each product stimulus throughout the study. Based on what we found in study 1, that is, visual metaphor's effects disappear when a product's function is known, we hypothesize that visual metaphor is advantageous only for poorly designed products. When a (non-metaphoric) product is well-designed in the sense that it is functionally unambiguous and aesthetically attractive, adding a visual metaphor cannot offer too much help. In order to test this hypothesis, a pretest (N=163) was conducted from which eight product stimuli, spanning the range of "functional ambiguity" and "visual attractiveness," were selected to be used in study 2. In study 2 (N=441, conducted in the U.S. and Australia), we confirmed that, when a non-metaphoric, baseline product is functionally ambiguous and visually unattractive, adding a visual metaphor to it significantly increases its ratings on product aesthetics (visceral level); understandability, functionality, and usability (behavioral level); reflectivity, imagistic and discursive elaboration (reflective level); as well as product attitude and purchase intention (persuasiveness). Regression analyses also show that responses to visceral, behavioral, and reflective design significantly predict a product's persuasiveness, providing empirical support for Norman's model.

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# Entertainment-Education: Dramatic Vehicles and Health Education

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## SESSION OVERVIEW

### Introduction

The term "symposium" derives from the Greek word for "fellow-drinker" and was popularized by Plato's *Symposium* (c. 5th C. B.C.E.), where it refers to a discussion among banquet guests about "love, idealism, creativity, sex, and the effects of alcohol" (Sparshott, p. 576). By 1784, (Symposia or Table Talk in the month of September 1784), it was defined more soberly as a meeting for discussion of some subject, "a collection of opinions delivered…by a number of persons on some special topic" (*Oxford English Dictionary* 2005). Nonetheless, the definition was somewhat less solemn in that the Symposia was labeled "a rhapsodical hodge-podge," which the authors of the following proposal wish to avoid. Rather, in the spirit of conviviality, we aim at intellectual nourishment conducive to ongoing conversation accompanied by food and drink.

### Objective

The session focuses on a specific form of modern "intellectual entertainment"—the creation and use of entertainment-education (EE) media vehicles both to promote good health practices (regular medical checkups) and to deter bad ones (dangers of alcohol or tobacco). Our objective is to gather presenters from different theoretical and methodological perspectives who examine dramatic EE vehicles such as sitcoms and soap operas, and who use theories borrowed from the humanities (rhetoric, drama criticism) and the social sciences (social psychology, cognitive psychologies) to educate consumers about the importance of healthy living and disease prevention.. The discussion will be led by the author of a fotonovela—here, a comic book called "*No Vale La Pena* (*It's Not Worth It*)–aimed at warning Hispanic immigrants about the dangers of entering the methamphetamine trade. To stimulate discussion, he will distribute copies so that the attendees can exchange opinions about a real-world EE exemplar.

In this way, the session functions as a symposium insofar as it is a meeting ground for different perspectives on EE vehicles that leads to a group discussion of EE creation, message format, target audience appeal and consumer responses. The topic of using dramas to deter unhealthy behaviors should be of special interest in consumer research, which for the most part has not fully considered the issue of reaching vulnerable audiences more likely to watch dramatized messages than to read informational brochures. Our format aims at encouraging interaction among the presenters, the discussant, and the audience that may inspire research collaborations able to advance knowledge of the way that health education messages can affect consumers' lives for the better (Singhal et al. 2004).

The importance of delivering health messages in an entertainment format lies in their capacity to persuade difficult to reach populations such as minorities or teens to whom health education messages in written materials or advertisements have little appeal. The power of EE vehicles is recognized globally, for soap operas are not only produced in or exported to most countries, but also are the most viewed media vehicles by the majority of viewing audiences in any country ( in the world. Similarly, sitcoms are globally popular, and short dramatic comic books have higher penetration among less literate and economically empowered consumers, to whom information in the guise of fiction may be more accessible. EE characters who display good, but more often bad, health practices, vivify the essential dramatic conflict between characters who are good or evil, at the heart of health messages.

### General Orientation

The symposium will begin with Hope Schau's presentation of Cristel and Dale Russell's study of the effects of mixed alcohol messages in a prime time television soap opera, *O.C.*, on young viewers' beliefs about drinking. The paper first documents the intertwining of anti-alcohol EE efforts and pro-alcohol placements and then investigates audience responses. Pechmann will present a study of the efficacy of televised EE in which a sitcom incorporates anti-smoking messages to deter high/low-risk adolescents from smoking. Finally, the symposium leader, Virginia Maduena, will lead a discussion aimed at integrating the presentations by means of a Spanish comic book "*No Vale La Pena*," that she wrote to warn migrant agricultural workers about the dangers of entering the methamphetamine trade. She will give attendees the short comic book to generate informed conversation about the effectiveness of EE as a means of conveying positive health messages to low-literate or illiterate Hispanic immigrants. Thus, the presentations focus on the form and content of positive/negative EE dramas, with the discussion providing a real-world exemplar to stimulate discussion.

### Likely Audience

The audience is likely to include researchers interested in the consumer behavior implications of EE, public policy and health education officials, consumer advocacy groups, and international scholars, who have the language skills needed to investigate EE across the globe. Among the research topics requiring at least one partner who is fluent in another language are the macro effects of public vs. private EE funding, government regulations and the inclusion of health education messages, and product placements that influence consumption. We anticipate broad appeal stemming from both the newness of the topic and the experiential discussion focusing on "show" rather than "tell."

### Issues to be Considered

The central issue is the way that EE dramas function to educate and inform consumers. The underlying theory of EE as persuasive drama is applied to different messages, program types, and audiences, in order to uncover the construction of an EE stimulus, its effectiveness in promoting good, bad, and ugly health messages to consumers. The symposium will integrate different research approaches and methods that focus on encouraging positive health behaviors and discouraging poor ones.

### Contribution to Consumer Behavior Research

Our goal is to raise awareness of dramatic popular culture vehicles that reflect consumption problems/solutions more persuasively than advertisements or written materials. Attention to the persuasion process in not fully researched EE vehicles points to similarities/differences in form, content, and audiences. Greater understanding of the way that messages work can contribute to a more sophisticated assessment of the persuasive elements built into EE dramas, the viewer responses flowing from audience consumption habits, and the cultural context in which responses occur.

# EXTENDED ABSTRACTS

## "Mixed Alcohol Messages In Television Series: Product Placement Meets Edutainment"

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*Hope Schau, University of Arizona*

This research, funded by the National Institute on Alcohol Abuse and Alcoholism, addresses the impact of alcohol messages in television programming on young viewers' attitudes about drinking, and ultimately their alcohol consumption behaviors. In this presentation, we document the nature of alcohol messages in prime time television programs and present the results of a study assessing the impact of mixed alcohol messages on consumers. Television programs often incorporate both positive and negative alcohol messages (Blair et al, 2005). Positive alcohol messages, particularly in the form of product placements, are a common occurrence within the content of television programming. Concurrently, as entertainment-education techniques become more common to tackle especially difficult issues, targeting especially vulnerable audiences, messages that communicate the negative consequences of drinking are increasingly included in the storylines of television series (Singhal and Rogers, 2002). What impact do these mixed messages have on consumers' drinking attitudes, beliefs and behaviors? We report research findings based on *The O.C.*, a teen television series where mixed alcohol messages abound.

In the first phase of this research, alcohol messages in *The O.C.* were content analyzed on the basis of the three dimensions of the tripartite typology of product placement (Russell, 2002). The analysis revealed that negative messages about alcohol (i.e., drunk driving, addiction, death, etc.) are usually discussed in the script and tend to be highly tied to the plot of the episode. However, *The O.C.* also contains positive messages about alcohol (i.e., having fun, relaxing, escaping problems) but those messages are conveyed visually, and mainly through the use of low plot / background type visual depictions. Hence the messages are often mixed with education-entertainment messages stemming mainly from auditory discussions that are connected to the plot and positive messages communicated visually and more subtly.

The second phase was designed to test a model of how alcohol messages are related to viewers' attitudes, beliefs, and behaviors related to alcohol. The model incorporates the dual route models of persuasion (Petty and Cacioppo, 1984) and the concept of television connectedness, which previous research found to be a key driver of television programs' influence (Russell, Norman, and Heckler, 2004). Previous research has shown that subtle visual messages are effective agents of persuasion due to their subtleness, whereas audio high plot messages are processed centrally and thus more likely to be countered. Data from a cross-sectional survey of 198 viewers of *The O.C.* provide evidence that negative alcohol messages are processed centrally. However, because these centrally processed messages are more salient, they are also easier to discount and we find no evidence of impact on viewers' negative beliefs about drinking. Evidence is also found that the subtle pro-alcohol messages impact highly connected viewers: the more connected the viewers, the more they believe that alcohol is linked to positive consequences not only within the television series *The O.C.* but in real life as well.

In conclusion, we address the public policy implications of the research. The societal impact of alcohol on youth is worrying and policymakers are working to develop new strategies to address the problem of underage drinking. These efforts include working with the alcohol and media industries to limit alcohol messaging to youths (Leavitt, 2006) as well as entertainment-education campaigns to communicate the risks associated with alcohol consump-

tion. However, this research provides initial evidence that EE efforts are often drowned by the abundance of pro-alcohol messages that operate under the radar.

## "The Use of Entertainment Education to Deter Youth Smoking: Does Balance, Transformation, and a Public Service Announcement Epilogue Help or Hurt?"

*Cornelia (Connie) Pechmann, University of California, Irvine*
*Liangyan Wang, University of California, Irvine*

Entertainment Education on television is seriously underutilized in tobacco control as compared to other health domains such as AIDs, and experts opine that it is the most critical addition to tobacco control that can be made (Singhal and Rogers 2004). Entertainment Education costs very little because most costs are underwritten by television networks. Networks voluntarily embed educational content in plots or subplots and generally only seek assistance to ensure accuracy. In the United States, the Centers for Disease Control and Prevention, National Institute on Drug Abuse, National Institute of Mental Health, and Office of National Drug Control Policy promote Entertainment Education.

The aim of this research is to assess the efficacy a various approaches to using Entertainment Education for youth smoking prevention. Many experts recommend three specific approaches to conveying an educational but entertaining message: use a balanced or two-sided (vs. one-sided) message, show character transformation, and include a public service announcement epilogue (Greenberg et al. 2004). However, other experts have expressed concern that balance may be confusing, and that an epilogue may be counterproductive (Slater 2002). No controlled study of these issues have been conducted.

We studied a real episode of the youth-targeted situation comedy Clueless called "Model Smoker." Clueless is a popular show in reruns but the "Model Smoker" episode does not appear in the rerun schedule so there is no prior exposure and clean tests can be conducted. We created and experimentally tested eight different versions of the episode to identify the best and worst approaches to conveying the antismoking educational content. A prime objective was to study any possible adverse effects, particularly among smokers or those who coorient with the smoker.

In this episode of Clueless, the lead character Cher dates a new male student at her school, Brad, who is a smoker and had worked as a professional model in France; hence the title "Model Smoker." Cher finds out that Brad smokes, expresses strong disapproval of his smoking, and ultimately decides she can no longer date him. However, the writers included substantial balanced content. Cher's friends express approval of Brad's smoking, and say his smoking is sexy and alluring. Brad quits smoking for Cher but immediately starts again. An antismoking public service announcement epilogue was included as well, in which Cher restates her disapproval of smoking.

We examined the effects of the episode on adolescents after it had been edited in different ways, by conducting a 2 x 2 x 2 randomized factorial experiment. A professional editor created eight versions. The content was edited to be wholly antismoking or balanced. Also the content was edited so that Brad did or did not succeed in quitting smoking and transforming into a nonsmoker. Finally, the original antismoking public service announcement epilogue was included or edited out. All versions were the same length (11 minutes); control or nonsmoking scenes were used as fillers. There was also a control version with no smoking whatsoever.

We tested the versions among ninth graders. Students were released from class and sent to different rooms, where each group of students was shown a randomly selected edited version. After

showing it, we measured their thoughts and feelings about the characters and smoking in general, their coorientation with or attitudinal similarity to the smoker Brad, and their intent to smoke. Two weeks previously, we had measured students' smoking behavior and other factors that might moderate their reactions to the episode, including personality traits such as reactance.

To understand the episode's effects we used Reference Group Theory which posits that there are three types of reference group influence: utilitarian, value-expressive and informational (Park and Lessig 1977). Utilitarian influence dictates how people should behave to comply with society's moral and ethical rules. Value-expressive influence dictates people should behave to achieve status and standing in society. Informational influence conveys how people often do behave to function adaptively in society and provides heuristics or rules of thumb (Cialdini et al. 1990). Reference Group Theory predicts that referent effects may be moderated by coorientation or attitudinal similarity (Price et al. 1989) .

We conducted our experiment among 1424 ninth graders in several public high schools in middle to lower middle class, ethnically diverse neighborhoods. We analyzed the data using ANOVA and ANCOVA. Including either past smoking behavior or coorientation with the smoker referent as a moderator, we found three two-way interactions and a three-way interaction on intent to smoke. The interactions indicate that balance is counterproductive among smokers or those cooriented with the smoker referent because these viewers misinterpret the two-sided message as prosmoking. A public service announcement epilogue is also counterproductive for these viewers, who find it preachy. The combination of balance and an epilogue actually increases such viewers' intent to smoke. Transformation is immaterial, perhaps because youths realize that quitting smoking may be temporary.

### "The Creation and Use of *"No Vale La Pena"* (*"It isn't Worth It"*): **A Spanish Comic Book aimed at Hispanic Migrant Workers about the Dangers of the Mephamphetamine Trade"**

*Virginia Maduena, Imagen Public Relations Agency*
*Barbara Stern, Rutgers University*

This presentation describes the development of a Spanish-language comic book (a *graphic novella)* to distribute to Hispanic farm workers in central California in order to warn them against entering the lucrative but dangerous methamphetamine trade. The audience is low-literate in English, and often in Spanish as well, isolated in the central valley, and often illegally in the U.S. The valley is the center of meth production in the area, and according to Mark Pazin, the county Sheriff, is also a central distribution point for the drug. Migrant workers are likely to be lured into meth production by promises of big money, lack of danger, and low likelihood of being caught. Nonetheless, production is highly dangerous insofar as the cooking process takes place near houses and trailers, releasing toxic fumes near where the workers' families live.

The promises attract migrant workers, who cannot be warned by means of informative booklets that tend to require higher literacy levels to be comprehended. The author, also a city Councilwoman, developed a more effective means of reaching the audience by creating a free print comic book to be distributed in Hispanic supermarkets across California, and the books were so successful that the first 15,000 were quickly snapped up. Somewhat later, Ben Duran, the President of Mercer Community College, worked with the author to create a videonovela that dramatized the story of the family tragedy and was shown in various locales such as churches, schools, and so forth.

The reason for the positive reception of both the comics and the video lies in their familiarity to the primarily Mexican audience: both *fotonovelas* (Spanish-language print comic books with pictures and simple text) and *telenovelas* (Spanish-language electronic soap operas) originated in Mexico, where they have remained popular for over a century. Men and women carry the pocket-sized books with them, and are avid fans of the soaps. Both forms are dramas, presenting outsize and recognizable good versus evil characters in family situations that notwithstanding their exaggerations typify universal emotions such as love, hate, envy, deceitfulness, indifference, rage, and so forth. Clear-cut villains and heroes act out scenarios of romance or vengeance, and consumption of goods and services plays a central role in the plot.

"*No Vale La Pena*" pits the central character, Jose, a farmworker who agrees to meth production against his pregnant wife, who does not want him to. She becomes sicker and sicker, finally losing the baby, and Jose's daughter dies as a result of inhaling the fumes. These popular culture forms do not contain explicit anti-drug messages, which would disrupt the dramatic progress by introducing a narrative voice, but, rather, follow the drama conventions of characters who interact with others–that is, they show rather than tell what happens. In this way, they draw the audience directly into the plot without any interpolating voice telling audiences what to think (Stern 2007), and hence avoid the preachiness of an appended epilogue that Pechmann and Wang's study found counterproductive.

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# To Breakup or Make Up? The Psychology of Consumer Forgiveness

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## SESSION OVERVIEW

As brands are highly motivated to foster their relationships with consumers, they actively nurture the number and frequency of positive interactions with those consumers (Fornell and Wernerfelt 1987). However, brands, like all relationship partners, inevitably make mistakes (Grayson and Ambler 1999; Rusbult et al. 1991). Traditionally marketers have documented the negative consequences that result when brand transgressions occur (Boon and Holmes 1999; Davidow 2003), yet a small but growing literature is starting to acknowledge the more complex qualities of relationships (Gottman 1993) and the possible positive consequences that might result when brands do bad (Aaker, Fournier, and Brasel 2004). The three papers in this session and the discussant's comments all focus on the subjective qualities of brand transgressions, which remain poorly understood. Broadly construed, this symposium aims to identify the psychological processes driving consumers' reactions to brand transgressions in order to gain deeper insight into when and why consumers will forgive brands for their mistakes . Drawing on principles of accessibility, these papers identify how consumers perceive (Mogilner and Aaker 2007), remember (Kyung, Menon and Trope 2007), and, therefore, react (Moore and Fitzsimons 2007) to brand transgressions.

To offer a fuller understanding of the psychology underlying consumers' forgiveness, each paper takes a distinct approach and perspective. First, Mogilner and Aaker (2007) examine the extent to which particular forms of compensations make consumers' prior brand relationships accessible, which in turn influence consumers' subsequent brand attitudes. Second, Kyung et al. (2007) explore how the temporal distance from a transgression influences what type of information is accessible and, therefore, whether consumers assign blame to the brand. Finally, Moore and Fitzsimons (2007) focus on stockouts, examining how the relative accessibility of the product versus the source of the stockout influence consumers' tendency to forgive once the availability of the desired product has been restored. Together these papers suggest that where consumers direct their attention when considering a negative brand experience determines their likelihood of forgiving the brand.

This symposium aims to contribute to consumer research by bridging the gap between the growing research on mixed emotions (Williams and Aaker 2002) in consumer psychology and consumers' growing negative impressions of marketers and marketing (Friestad and Wright 1994). That is, even though mounting evidence suggests that most relationships are defined by a mix of positive and negative experiences (Gottman 1993), much of consumer research implicitly or explicitly assumes that brands' actions will always be positive—garnering good will and ultimately leading to favorable brand attitudes. These assumptions starkly contrast with consumers' increasing distaste towards and distrust of marketers and their tactics. Thus, this session bridges this apparent disconnect by focusing on specific instances wherein brands behave badly, determining when and why consumer goodwill decreases, attitudes plummet, and relationships dissolve.

## EXTENDED ABSTRACTS

### "Forgiving by Not Forgetting: The Effect of Compensations following Brand Transgressions"

*Cassie Mogilner, Stanford University*
*Jennifer Aaker, UC Berkeley*

Imagine that you are checking-in for your flight on United Airlines. At the ticket counter, the airline attendant informs you that your flight is overbooked and that you have been bumped off and rescheduled to leave on a flight the following day. The attendant apologizes on behalf of United Airlines by offering you a voucher for a future free flight on United. Consider your reaction. Despite United's recovery efforts, might the United voucher aggravate you even more—particularly given they just bumped you off your flight? What if they instead offered you a voucher for a free meal at an upscale restaurant? More generally, if United wants to keep you "onboard" as a loyal consumer, which of the two forms of compensation should they offer you, and why?

Although a considerable amount of consumer psychology research has focused on the occurrence and impact of transgressions on consumer-brand relationships (e.g., Aggarwal 2004; Bolton and Lemon 1999; Folkes 1984; Grayson and Ambler 1999), much less work has examined when recovery efforts serve to further hurt a brand versus repair consumer attitudes, and why such effects may occur. This sparseness of research is even more surprising in light of research noting that nearly all partners in close relationships eventually behave badly (Finkel et al. 2002; Rusbult et al. 1991) and that recovery efforts vary considerably in their effectiveness (Davidow 2003; Maxham and Netemeyer 2002a).

The goal of this research is to address the aforementioned questions by examining brands' compensation efforts following a transgression and the differential ability of those efforts to promote consumers' forgiveness. To do so, we build on a recent literature stream which argues that transgressions may serve as defining moments in consumer-brand relationship development that, if managed properly, can in fact strengthen (rather than threaten) the relationship (Aaker, Brasel and Fournier 2003; Smith and Bolton 1998). However, rather than focusing on the severity of the transgression or on the fit between the transgression and the compensation as prior work has (e.g., Gilly and Gelb 1982; Maxham and Netemeyer 2002b; Smith, Bolton, and Wagner 1999), we focus specifically on the type of compensation—whether it relates to the brand (e.g., United voucher) or is unrelated to the brand (e.g., voucher for an upscale restaurant).

Drawing on principles of accessibility and the literature on the psychology of relationships, we posit and show that the effectiveness of these two compensation types depends on (a) whether a prior relationship with the brand exists and (b) the nature of that relationship. The results from three experiments demonstrate that when consumers have a positive prior relationship with the brand, the attention culled by the brand-related compensation can prime that positive prior relationship, diverting attention from the transgression. In such cases, brand-related (vs. brand-unrelated) compensations are indeed effective. However, brand-related compensations become ineffective when there is no such prior relationship to prime, and can even backfire when the prior relationship was negatively-valenced. Insight into the underlying process was documented through tests of moderation where transgressions were

manipulated (Café Study), were imagined (Airline Study), and naturally occurred (Baseball Study).

First, the Café Study was conducted at a café among customers with prior brand relationships to test whether a brand transgression followed by a brand-related compensation (a brand name inscribed coffee mug) or a brand-unrelated compensation (a "Coffee" inscribed coffee mug) would induce more positive attitudes. After the café employee had "messed up" their order, customers reported more positive attitudes from receiving the brand-related compensation than from receiving the brand-unrelated compensation.

Next, the Airline Study was a scenario-based study conducted among travelers as they were waiting to board their flights. These travelers reported to either have positive or negative prior relationships with the airline. Results revealed that following a brand transgression, although travelers with positive prior brand relationships reported more positive attitudes from receiving a brand-related compensation (an airline voucher), travelers with negative prior brand relationships reported more positive attitudes from receiving a brand-unrelated compensation (a restaurant voucher).

Finally, the Baseball Study was conducted among attendees of college baseball games wherein the team either won or lost. Results revealed that after having been let down by a team loss, attendees who had a positive prior relationship with the team reported more positive attitudes from receiving a brand-related compensation (a team t-shirt) than a brand-unrelated compensation (an ice cream gift certificate). However, the attitudes of attendees who did not have a prior relationship with the team were not differentially affected by the type of compensation received.

Together, these findings (a) suggest how brand managers should focus their recovery efforts following a transgression, and (b) provide insight into the psychological mechanism by which prior relationships influence pursuit of future relationships, despite negative interactions.

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### "Reconstructing History: How Construal of Past Events Influences Judgments of Recency and Culpability"

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Human memory is ill equipped to handle temporal information due to the fact that it is stored associatively (Davachi, Mitchell, and Wagner 2003), must be contextually reconstructed (Hayes, Ryan, Schnyer, and Nadel 2004), and was an evolutionarily unnecessary skill for survival (Friedman 2004). Given the malleability of these judgments, we examine how construal level at memory recall influences these temporal judgments given the constraints of information availability and accessibility. Further, we demonstrate that influencing these temporal judgments can in turn influence judgments of culpability of responsible parties in negative events.

Construal Level Theory illustrates that those things that are in the near future are construed in more concrete terms while those in the distant future are construed in more abstract terms (Trope and Liberman 2003). In this research, we focus on whether inducing abstract versus concrete mindsets (Freitas, Gollwitzer, and Trope 2004; Fujita, Trope, Liberman, and Levin-Sagi 2006) can actually influence people's perception of when an event happened in time such that concrete mindsets will lead people to believe an event happened in the more recent past while abstract mindsets will lead people to believe an event happened in the more distant past.

However, given that memory-based judgments (particularly temporal judgments) are subject to contextual influence, we propose that construal level will have a differential impact on temporal judgments depending on information availability and accessibility. Judgments of recency (e.g. subjective temporal judgments) can be driven by 1) the content of what is recalled, such that events remembered with a greater level of detail are judged to be more recent (Brown, Rips, and Sheval 1985); or by 2) the metacognitive experience of recall, such that things that are more easily remembered are judged to be more recent (Tversky and Kahneman 1973; Schwarz et al 1991). Reliance on recall content versus the metacognitive experience of recall has been found, in certain contexts, to depend upon the discrepancies between expected and experienced ease of retrieval, such that judgments tend to depend

more upon content when expected and experienced ease of retrieval are consistent, and to depend more upon ease of retrieval when there is a discrepancy between expected and experienced ease (Raghubir and Menon 2002).

We draw on this research and make several propositions. First, those people that have low information availability for an event will make temporal judgments based on the content of what they remember, such that a concrete mindset cuing event details will lead people to believe an event happened more recently, relative to an abstract mindset. Second, those people with high information availability for an event will make temporal judgments based on the metacognitive experience of recall, such that abstract mindsets cuing high-level features of an event will lead people to believe an event happened more recently relative to a concrete mindset because these higher-level features are easier to remember. Third, this differential effect is due to when and how the discrepancy (or lack thereof) between expected and experienced ease of retrieval influences judgments. Finally, because greater temporal distance in both the future and the past is associated with greater dispositional (versus situational) attributions (Nussbaum, Trope, and Liberman 2003; Frank and Gilovich 1989, Ross and Wilson 2002), we suggest that decreasing perceived temporal distance from an event decreases judgments of culpability.

These propositions are supported by five experiments involving negative events with potentially culpable parties. In all the studies we demonstrate that with low information availability, temporal judgments follow those expected from construal level theory, where concrete mindsets lead to more recent temporal judgments relative to abstract mindsets while with high information availability, the opposite effect holds true if there is an effect of construal at all. This holds true for both temporal judgments involving objective dates (experiments 1 and 4, Hurricane Katrina) and subjective passage of time (experiment 2, Dell laptop battery recall, and experiment 3, Dole spinach recall). In experiments 3 through 5, using information availability defined by self-report (experiment 3) and objective knowledge (experiment 4 and experiment 5), we find that dispositional and situational attributions follow judgments of temporal distance, such that dispositional attributions (defined as blame assigned to specific parties) decreased and acknowledgement of situational constraints (defined as recognition of circumstances beyond anyone's control) increased when events were judged to have occurred more recently in time.

We demonstrate that the mechanism for the differential effect of construal on temporal judgments depends upon the discrepancy between expected and experienced recall. Those people with low information availability make judgments based upon the content of what they recall because they both expect and find that experience of recall is difficult (e.g. use content for the basis of judgments). Those people with more information availability expect ease of recall to be easy. Thus when in a concrete mindset, which cues more difficult to recall episodic qualities of an event rather than higher-level semantic ones (Tulving 1972), people with more information availability actually judge an event to have happened less recently in time based on their subjective experience of recall. Thus, we show that given constraints of information availability, construal level can drive judgments of greater temporal recency in a concrete mindset for people with low information availability and in an abstract mindset for people with high information availability. In addition, when the temporal judgment results in perceptions of greater recency, culpable parties were blamed less for the negative event: that is, the federal government was blamed less for the disastrous evacuation of New Orleans, Dole was blamed less for the *e coli* outbreak from its tainted spinach, and JetBlue was blamed less for its extensive flight cancellations after the Valentine's Day ice storm.

In conclusion, from a theoretical perspective, we demonstrate that 1) construal level can influence both objective and subjective perceptions of time in memory and that its influence depends upon information availability; and 2) these temporal judgments can influence those of culpability.

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### "Just Say No: Can Firms Enhance Customer Happiness by Denying Their Requests?"

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Denying customer requests is seldom touted as a key success factor for marketers. Indeed, stockouts are a frequent marketing problem to which consumers generally react negatively (Fitzsimons

2000). However, stockouts may be used as a strategic tool. For example, Nintendo's resurrection of the video game market in the 1980's has been partially credited to "a controlled dearth of game cartridges… [which] kept consumer interest … high" (Wolpin 1989). Thus, imagine that you are at the store to purchase a certain game cartridge, which the salesperson informs you is out of stock. You request a second choice, and as the salesperson retrieves it, he finds a copy of the original game you requested. How would you respond to the restored availability of your preferred option? Would you be satisfied with the store? Could the restoration of the option make you happier than if the product had been immediately available?

This research examines how individuals respond when formerly "forbidden fruits" or unavailable products become available. We investigate how consumers react when they experience a service transgression followed by a recovery, that is, how consumers respond when their freedom is restricted and then restored. We identify conditions under which individuals respond positively and negatively to restoration of previously unavailable products. To examine these issues we rely on reactance theory, which posits that individuals have specific psychological and behavioral responses when their freedom to make a decision is restricted or removed, as in a stockout situation. Although a great deal of research has examined responses to restriction of freedom (Brehm 1966; Fitzsimons and Lehmann 2004), less research has investigated responses to restoration of freedom (Worchel and Brehm 1971).

We argue that reactance motivation and its psychological consequences will not dissipate "no matter how restoration comes about" (Worchel and Brehm 1971), but rather that responses to restoration of freedom can be positive or negative, depending on how individuals react to the initial transgression and subsequent restoration of freedom. Restriction of freedom leads to 1) increased desirability of the restricted object (product desirability), and 2) a negative evaluation of the source of the restriction (source negativity). We hypothesize that responses to restoration of freedom arise from different strengths of these two forces, and that individuals focus on the stronger of the two reactions in responding to restoration of freedom (Taylor and Thompson 1982). If product desirability outweighs source negativity, then responses to restoration should be positive (relative to an "unrestricted" situation), as the valued product is attained. If source negativity is the stronger response, responses to restoration should be negative, because the focus is on the transgression and not on the attainment of the product. If the two forces are balanced, individuals should display neutrality in terms of their response to the restoration—as Worchel and Brehm argue (1971), it will be as if reactance motivation was never experienced.

The strengths of these two forces in response to restriction and restoration of freedom depend on various moderators which influence product desirability and source negativity. The studies presented in this paper examine three variables that moderate responses to restriction (and thus restoration) of freedom: individual levels of reactance, attributions, and product attractiveness. Studies 1 and 2 examined consumer responses to restoration based on chronic levels of reactance. Study 3 used a high-involvement context, and incorporated product attractiveness and attributions about the restriction of freedom as additional moderators.

In our first two studies, individuals went on multiple shopping trips to choose jelly bean flavors from different stores. On one shopping trip, individuals were told that the store was out of their favorite flavor and they would have to make a second choice, but at the last minute, the shopkeeper discovered some additional stock of their preferred flavor. We compared individuals' satisfaction after this unintentional restriction and restoration of freedom to a control condition where they received their favorite jelly beans with no incidents. We also measured individual levels of reactance motivation. We hypothesized that in an unintentional restriction situation, high reactance individuals would feel minimal source negativity and strong product desirability, leading to positive responses to restoration of freedom. Low reactance individuals, on the other hand, would not experience strong product desirability and would instead focus on the service failure aspect of the experience, leading to a negative reaction to restoration of freedom. As predicted, high reactance individuals were more satisfied with the store after having their freedom unintentionally restricted and restored than they were in a control condition. Low reactance individuals showed the opposite results.

Study 3 investigated two additional moderators of responses to restoration: attributions of intentionality and product attractiveness. In Study 3, we manipulated whether individuals perceived the restriction as intentional or unintentional on the part of the store, and we measured product attractiveness. Further, Study 3 used a high-involvement situation (choosing Spring Break vacations) where both high and low reactance individuals should experience reactance. We found that in such a high-involvement scenario, high and low reactance individuals were willing to forgive service transgressions after restoration of freedom, but were particularly forgiving for highly attractive, formerly unavailable products. The exception to this finding was high reactance individuals who perceived the initial restriction of freedom as intentional on the part of the firm—in this case, even if the product was highly attractive, they were much less forgiving.

This work extends reactance theory by proposing a model of how individuals respond to restoration of freedom, and provides a useful framework for understanding when consumers will respond positively or negatively to trangressions and recoveries. We identify conditions under which some individuals are happier to experience a temporary stockout than to have an uneventful service encounter. Further, for most consumers, restoring freedoms by remedying the stockout is an acceptable means of repairing relationships—most individuals' change in satisfaction was positive after restoring freedom. However, the degree of forgiveness depends on individual levels of reactance, product attractiveness, and attributions regarding intentions.

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# Ownership: How Thought, Effort, Emotion, and Memory Influence the Desirability of Possessions

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## ABSTRACTS

### "Effects of Merely Thinking about What One Might Acquire"

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Thinking about the possible consequences of behavior before acting-—premeditation—-is often encouraged as a way to make sound decisions. But merely going through the motions of premeditation by considering possible options may be enough to convince people that they received the option they desired—even when such premeditation is irrelevant to its selection. The results of five experiments suggest that people judge the desirability of options selected on the basis of their ability to consider those options in advance, even when this premeditation ritual has no influence the selection process.

### "The "IKEA Effect": Why Labor Leads to Love"

*Michael I. Norton, Harvard University*
*Dan Ariely, Massachusetts Institute of Technology*

We show that people value goods more highly when they invest their own labor in creating them–the IKEA effect. Novices who made origami valued their creations as highly as those made by experts, though outside bidders recognized the difference in quality. While individuals valued sets of Legos they built more highly than sets built by others, however, the effect dissipated when the sets were deconstructed, suggesting that only fruitful labor leads to love. The increased valuation of self-created goods seems to be caused by two dissociable–and seemingly contradictory–components: the pain and pleasure caused by labor.

### "When the Status Quo Turns Sour: Robust Effects of Incidental Disgust in Economic Transactions"

*Seunghee Han, Carnegie Mellon University*
*Jennifer Lerner, HarvardUniversity*

Decision-makers are powerfully motivated to maintain the status quo, even when doing so comes at a cost. But research suggests that disgust triggers a goal to rid oneself of present circumstances and hence may counteract the status-quo bias. Three experiments found that incidental disgust carried over to decisions and eliminated the status-quo bias. Decision-makers were unaware of and could not correct for the carryover, even when explicitly warned to do so. Because all three studies involved real commodities and real behavior, they provide not only theoretical insights into emotion and decision making but also practical implications for economic transactions.

### "Aspects of Endowment: A Query Theory of Value Construction"

*Eric Johnson, Columbia University*
*Gerald Haubl, University of Alberta, Canada*
*Anat Keinan, Columbia University*

We introduce a memory-based account of the endowment effect–the observation that mere ownership of an object increases people's valuation of that object. According to this account, individuals construct their valuations of objects by posing a series of queries whose order differs between owners and non-owners. We show that ownership state influences the nature of the thoughts that come to mind when contemplating a possible trade involving the object, and that these thoughts predict valuations. We also demonstrate that merely altering query order can eliminate the endowment effect, as well as produce endowment-like effects without actual differences in ownership state.

# Subjective Time and Decisions: The Role of Perception and Experience of Time in Consumer Decision Making

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## SESSION OVERVIEW

Almost every decision that a consumer engages in has a temporal dimension. For instance, consumer decisions on which shipping option to choose and how long to wait for service, whether and when to save for future, decisions to keep on waiting on hold when calling customer service or renege from queue, all involve time decisions. While oftentimes the end behavioral variable studied varies, e.g. line chosen, time delivery option, renege or stay; most of them deal with first making a time estimate that is often biased that then leads them to display a downstream behavior. Prior research in different domains have often looked at this problem as either a pure time perception problem or alternatively as an intertemporal decision with the implicit or explicit assumption that time perceptions are unbiased and it is the outcomes valuation that changes at different points in time. Unlike previous research, the three papers in this symposia systematically study how consumers perceive and experience time, and point out the important consumer behavior implications in intertempooral as well as non-temporal settings. Specifically, these three papers explore

- Whether and to what extent consumers' subjective time estimates map onto objective time (papers 1 and 3).
- Whether consumers pay adequate attention to time in their consumption decisions (papers 2 and 3).
- The implications of time insensitivity to intertemporal presences (papers 1 and 2) and to consumer decision making (paper 3).

The first paper by Zauberman, Kim, Malkoc and Bettman critically examines subjective perceptions of different time horizons and consistent with the psychophysical Weber-Fechner Law demonstrate that subjective time is more compressed than objective time. More importantly though, their results show that the commonly reported present bias (i.e., hyperbolic discounting) disappears if discount rates are calculated with subjective time. Their findings suggest that the psychology of time perception, and not simply outcome value, plays an important role in choice over time.

The second paper, by Ebert and Prelec, provides converging evidence by demonstrating that consumers are insensitive to the time dimension of their decisions. They develop a discounting function that separates time sensitivity from impulsivity. More notably, their empirical analyses show that time is especially malleable to insensitivity (compared to other dimensions such as money) and that simple manipulations like time pressure and simultaneous evaluations can alter how sensitive consumers' are to time. They further demonstrate the effect of such insensitivity on a variety of intertemporal decisions.

The third paper, by Janakiraman and Benson, examines the effect of duration of service on subjective estimates of a wait time. Their results show that longer experienced service duration (e.g., time spent while a cashier process items) significantly decreases consumers' estimation of the pre-service duration (e.g., waiting time on the cashier line and their subsequent satisfaction). They further show that this effect is mediated by perceived fairness and is moderated by prior expectations about the wait. The findings of these field and laboratory experiments demonstrate one important way in which sensitivity to duration influences actual consumer behavior.

Collectively, the three papers in this symposium provide new insights about consumer decision making, by focusing on the role of subjective time. Most of the prior research in this domain focused on the valuation of outcomes. Alternatively, these three papers show that consumers might be innately insensitive to time and have biased duration estimates, which affect a variety of consumer phenomena. The first paper illustrates that subjective time estimates are more compressed than objective time and that this difference is sufficient to account for hyperbolic discounting. Further supporting this idea, the results of the second paper indicate that insensitivity to objective time is unique to this dimension and does not present itself in others like money. Lastly, the third paper illustrates one very important consumer implication of malleable time perceptions, by showing that satisfaction with the service can be influenced by subjective estimates of pre-service and service time. Following the three papers, the discussant, Drazen Prelec, will comment on how the three papers inform and qualify the findings of previous research. He will also comment on some of the ways in which the three papers offer diverging perspectives on the common theme of the session. Discussant will then engage the audience by inviting questions, comments, and future research ideas.

## EXTENDED ABSTRACTS

### "Discounting Time and Time Discounting: Subjective Perception and Intertemporal Preferences"
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*Selin A. Malkoc, University of Minnesota*
*James R. Bettman, Duke University*

Research on intertemporal decisions has shown that people are biased towards current or near future events (e.g., O'Donoghue and Rabin 1999; Thaler 1981). In particular, one of the most important and robust findings in choice over time-hyperbolic discounting-demonstrates that the tendency to prefer a sooner-smaller outcome over a later-larger one (i.e., delay discounting) decreases as the time horizon gets longer.

Many models have been proposed to describe and explain preferences that show hyperbolic discounting (e.g., Ainslie 1975; Loewenstein & Prelec, 1992). Although varying in their specifications, all these models have two things in common: (1) incorporating objective time horizon in the model and (2) attributing present bias to changes in the valuation of outcomes at different points in time. That is, all models imply non-constant discounting of value in relation to objective (linear) time. Thus, these models overlook the possibility that how people perceive time (i.e., subjective time horizon) affects the valuation of outcomes over time.

Consistent with the Weber-Fechner Law, in this work we suggest that people are less sensitive to changes in objective time horizon and such insensitivity to time horizon leads to a declining rate of discounting with increased time intervals. Specifically, we predict that when examining individuals' implicit discount rates using subjective assessments of duration (compared to objective, linear duration), they appear more consistent and the discount rates implied in their preferences over time show a reduced level of hyperbolic discounting.

In study 1, we measured subjective mapping of prospective time horizons (3 months, 1 year, or 3 years) and discount rate for

deferring an outcome (i.e., $75 gift certificate) over these horizons. Subjective assessment of time horizon was measured by providing a 180mm continuous line. Results show that subjective time horizon is far more compressed and less sensitive to changes than objective time horizon (time horizon growth: $M_{3\ mos \rightarrow 1\ year}$=24%, $M_{1\ year \rightarrow 3\ years}$=32.33%). For discount rate, we replicated the standard pattern of hyperbolic discounting when objective time was used in the calculations ($M_{3\ mos}$=159.73%, $M_{1\ year}$=82.82%, $M_{3\ years}$=35.67%). However, when subjective estimates of duration are used, discounting no longer follows a hyperbolic pattern, but is instead more constant with time horizon ($M_{3\ mos}$=214.46%, $M_{1\ year}$=276.04%, $M_{3years}$=350.47%). In study 2, we replicated the findings with a within-subjects setting (i.e., 3 months and 12 months). As in study 1, subjective time horizon is less sensitive to changes than objective time horizon (time horizon growth: $M_{3\ mos \rightarrow 12\ mos}$=37%). Furthermore, discounting based on subjective estimates of time is not hyperbolic, but rather it shows the opposite effect ($M_{3\ mos}$= 111.64%, $M_{12\ mos}$=167.09%).

In study 3, we changed participants' perception of time by manipulating sensitivity to time horizon. Prior to the estimation and discounting task (1 month & 3 months), half of the participants in the long time horizon condition considered and estimated the duration of activities that take many years to complete (e.g., completing education including all degrees/breaks). The other half (the short time horizon condition) considered activities that take shorter times (e.g., taking a shower). Results show that participants compressed time horizon more with long time horizon than with short time horizon (time horizon growth: $M_{long;\ 1\ mo \rightarrow 3\ mos}$=50.28%, $M_{short;1\ mo \rightarrow 3\ mos}$=67.44%). Importantly, when discount rates were calculated with objective time, present bias was reduced in the long time horizon condition ($M_{short}$=231.05%$\rightarrow$138.90%, and $M_{long}$=176.57%$\rightarrow$143.22%). When subjective estimates of time horizon are used, discounting is constant with time for those who were primed with short time horizon and increasing with time for those who were primed with long time horizon. ($M_{short}$=295.81%$\rightarrow$250.05%, and $M_{long}$=232.99%$\rightarrow$327.44%).

In conclusion, we show that subjective estimate of time horizon is less sensitive to changes than objective time horizon. When discount rate is calculated using subjective estimates of duration, discounting is not hyperbolic but is either constant or increasing with time. These results imply that people show a hyperbolic pattern of discounting not because they discount outcomes hyperbolically over time, but because their perception of time is not sensitive to changes in objective time. In addition, when primed with long time horizon, hence compressing time horizon more, people show reduced present bias compared to when primed with short time horizon. But even more than the effect itself, these findings provide a different theoretical perspective than other current behavioral theories of intertemporal choice, which all focus on the psychology of perceived value of outcomes over different periods due to either affective or cognitive mechanisms. Our findings suggest that the psychology of time perception, and not simply outcome value, plays an important role in choice over time.

### "The Special Fragility of Time: Time-Insensitivity and Valuation of Near and Far Future

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The temporal dimension is an unavoidable but problematic component of many decisions. Managers choose between long-term and short-term goals; investors choose how much to put aside for retirement or for the deposit on a house in five years; people exercise to lose weight for an upcoming vacation or to remain healthy in later years; governments decide whether to drill for oil and satisfy demand in the near term or not to drill and preserve the environment for future generations. The value people place on different points in the future matters in such decisions, and evidence suggests that the value people place on the future is not quite what it should be.

Normative concerns often expressed in writings and research are that people are commonly myopic, not valuing the future enough (e.g., as discussed in Ainslie (2001) and Loewenstein (1992) and they discount future utility according to a hyperbolic, rather than compound, function (Ainslie and Haslam 1992; Green et al. 1994; Rachlin et al. 1991), showing dynamically inconsistent choices (Ainslie and Haendel 1983; Green et al. 1994; Thaler 1981), where an individual does not choose according to plans that were optimal from an earlier vantage point.

Here we provide a new theoretical diagnosis, supported by fresh experimental evidence, about the root cause of the problems with time. Consistent with other research that suggests that people are insensitive to or neglect some aspects of time (Frederickson and Kahneman 1993; Redelmeier and Kahneman 1996; Block and Zakay 1997), we propose that in the valuation of future events the temporal dimension is fragile in a dual sense. First, choices are insufficiently sensitive to the temporal dimension. Second, such sensitivity as exists is exceptionally malleable: certain manipulations can easily compromise it while others can easily enhance it. In this respect, we suggest that time behaves differently from other attributes, such as money or outcome quality. Unlike a money amount, which is difficult to ignore, the temporal dimension has an 'optional status' — it can be pushed into the background or become a key concern, depending on incidental aspects of the choice situation.

We conceptualize sensitivity as the impact of time variation on value variation, developing a discount function that allows the separation of impatience from time-sensitivity. In four studies, we show that time-sensitivity is susceptible to manipulations that draw attention to or facilitate processing of the time dimension, while impatience remains unchanged. As a result discounting changes in a characteristic way: with greater time-sensitivity people show less discounting in the near future and more discounting in the far future. In three of these studies, we also find that the time dimension seems especially vulnerable and susceptible to manipulation, relative to other dimensions.

In study 1, we show that time-sensitivity, rather than discounting per se, is enhanced in a within-subject design. Consequently, discount rates measured within-subject rather than between-subject are smaller for the near future, but larger for the far future. In study 2, time-sensitivity is compromised by requiring subjects to make a decision under time pressure. This selective vulnerability of the time dimension obtains even though in the baseline "unlimited time" condition the time dimension shows up as the most important (of three) dimensions in relative weight terms. Hence, time pressure does not simply cause subjects to focus attention on the most important attribute, as one might have supposed. Rather, with pressure, the time dimension becomes neglected in favor of an alternative dimension, one that was less influential with unlimited time.

In studies 3 and 4 we examine further this special vulnerability of the time dimension. Time-sensitivity is enhanced if subjects are asked to attend to the time dimension (Study 3), or are provided with an analogue visual cue (Study 4). However, when these same manipulations are directed toward the money dimension, we do not observe any increase in the influence of money. Hence, the money dimension is attended without specific instruction, or without

visual bolstering of magnitude. This is the case whether time or money is initially the more influential dimension, suggesting that time is naturally neglected in contrast to money, which is naturally carefully attended.

### "How Long You Received Service Determines How Long You Thought You Were in Line: Role of Fairness and Prior Expectations"

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Customers can wait before, during or after a transaction; that is pre process, in-process and post-process (Dube-Rioux, Schmitt, and Leclerc 1988). For example, in a retail checkout scenario, a pre-process wait would occur as one waits in line at a checkout queue; an in-process wait would occur as one has their items being scanned; and a post-process wait would occur after the items are scanned and one is waiting to leave the store. In most service contexts, pre-process waits are considered queue time where the customer is waiting to be served (e.g. call to CVS waiting to be answered), while in-process waits are termed service time (e.g. call time with the pharmacist).

While there exists prior research on the differential effect of delays on these stages of the waits on satisfaction; there exists no prior work on how consumers perceive their wait in queue (pre-process wait) based on how long they have been serviced (in-process wait). For example, imagine the following scenario: A customer calls IRS and waits on a telephone queue for 30 minutes (pre-process wait). Subsequently, she speaks to the IRS representative for either 2 minutes or 20 minutes (in-process wait). Would perceived duration of the time in queue (i.e. 30 minutes), vary due to the length of the service (i.e. 2 or 30 minutes)? Is so, why? In our research we hypothesize that duration of service time is likely to affect perception of queue waits. We base this on the notion that consumers hold norms that relate the length of wait for length of service. Violation of these norms we hypothesize leads to perceived unfairness that subsequently affects perceived duration (Katz, Larson, and Larson 1991).

A 2*2 pretest that tested for queue length (short/long) and service time (less/more) revealed support for the fact that shorter service times exacerbate perceptions of queue waits. A field study was then conducted at a leading supermarket chain. Using stopwatches, actual time spent waiting in line and at a teller was recorded. Customers exiting the line were then asked to provide response to a survey. We found support for the main effect that length of service time does affect perceived duration of wait in queue. We also found support for the fairness mediation hypothesis that the ratio of service time to length of wait in queue triggers differential perceptions of fairness. The second part of the field study at the supermarket asked customers before they entered a queue on a duration estimate for the queue they were in, and for a reasonable wait for the number of items they were carrying. Analysis revealed that prior duration estimates had no effect on subsequent satisfaction, while prior norms on length of wait for items in shopping basket had a large effect.

A lab experiment was then designed that varied the length of time that participants had to wait before they completed a study (pre-process: short/long), the actual length of the study (in-process: short/long) and whether prior knowledge was available about the length of the study (yes/no). This study was also designed to rule out recency effects i.e. all responses on retrospective duration estimates were collected at the same point in time for each condition. A hold out sample of respondents provided process feedback on what thoughts passed through their mind as they were waiting in line and as they were being serviced. Analysis revealed that when individuals had prior knowledge of the service time (i.e. duration of the study) they form norms of reasonable waits; and if individuals have no prior knowledge of the service time (i.e. duration of the study) they actively engage in comparing service time to queue time.

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# Influences on Spending: Mental Accounts and Self-Control

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## SESSION OVERVIEW

Consumer spending is an under-researched area, which is unfortunate in light of mortgage foreclosures recently hitting an all time high (Knox 2007) and the American personal savings rate hitting a 73 year low (Associated Press 2007). Economists have traditionally assumed that consumers allocate their spending to rationally optimize their utility and that money is fungible. In contrast, the behavioral decision theory literature provides strong evidence that consumers employ a system of mental accounts. Considering the current trend towards overspending, it is important to understand whether consumers' mental accounting practices contribute to the problem or whether mental accounts are an effective method of self-control as has been previously suggested (e.g., Thaler 1985; Thaler and Shefrin 1981).

This session brings together a set of respected researchers to provide insight into the conditions under which mental accounting practices result in overspending vs. when they function as a self-control mechanism. The first two presentations examine mental accounting practices that are related to overspending. The first paper, co-authored by Juliet Zhu, Jack Chen, and Srabana Dasgupta (UBC), extends research on the endowment effect into the domain of multiple transactions by incorporating the notion of limited cognitive resources. Specifically, they show that individuals who are trading in a car pay a *higher* net price because they focus some of their limited resources on negotiating their trade-in rather than the sales price of the car. The second paper, authored by Amar Cheema (Wash U), finds that increases in income and assets affect purchase in a similar manner, while decreases in income decrease purchases more than asset value decreases. This research also shows that consumers tend to discount uncertain decreases, (but not uncertain increases) and that this tendency is correlated with debt.

In contrast, the third and fourth presentations examine consumers' use of mental accounting in an attempt to control their spending. The third presentation, co-authored by Karen Stilley, Jeff Inman (Pittsburgh) and Kirk Wakefield (Baylor), shows that consumers anticipate the occurrence of unplanned purchases and build these expectations into their mental budget for the grocery trip. The fourth presentation, co-authored by Leonard Lee (Columbia), Ziv Carmon (INSEAD) and Ravi Dhar (Yale), extends the work of Trope and Fishbach (2000) to show that priming shoppers to be aware of the potential for high spending activates counteractive self-control mechanisms.

While most prior studies in the mental accounting literature rely on hypothetical choices in a lab setting, the papers in this session cross methodological boundaries to provide robust results. Studies range from lab experiments (Zhu et al. and Cheema) to field studies (Stilley et al. and Lee et al.) to analysis of secondary data sets (Zhu et al. and Cheema). Providing strong external validity, each paper in our symposium supports findings with real world data. From a theoretical perspective, this session builds a bridge between research in mental accounting and more traditional psychological theories by incorporating research in cognitive processing (Einstein and McDaniel 1987), counteractive self-control (Trope and Fishbach 2000), and in-store stimuli (i.e., Heilman et al. 2002; Bettman 1979).

## EXTENDED ABSTRACTS

### "Exploring the Effect of a Trade-In on Consumers' Willingness to Pay for a New Product"

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Consumers commonly engage in replacement purchases, where they replace an existing product with a new product. In such situations, the existing or used product is often exchanged or *traded in* towards a reduction in the price of the new good. A distinctive feature of such trade-in transactions is that a consumer typically needs to negotiate two prices, one for the new product and another one for her existing product. This raises the question of whether the existence of the trade-in transaction creates any advantages or disadvantages for the consumer. For example, will the price that the consumer receives for the new good differ depending on whether there is a trade-in or not? Are consumers better off trading in their used product toward the purchase of the new one from the same retailer or should they keep the two transactions separate by dealing with different retailers? This paper promises to shed light on these questions.

We theorize that when a consumer engages in a trade-in, due to the endowment effect (Thaler 1980) and mental accounting principles (Thaler 1980, 1985), she is likely to perceive the trade-in value of the currently owned product to be highly important, and thus spend a considerable amount of resources on negotiating the trade-in price. Because individuals have limited resources at a given time, more resources allocated to the more important task would result in fewer resources available to respond to a less important task (Einstein and McDaniel 1987; Zhu and Meyers-Levy 2005). This implies that a trade-in consumer will have few resources left in negotiating the purchase price of the new good and should therefore be more tolerant of a high purchase price. In contrast, individuals who are involved in a single transaction, such as the purchase of a new good, only have one task to focus on and are simply looking for the lowest price possible. Thus, compared to individuals who are simply buyers, trade-in consumers may spend fewer resources on the new product transaction and perceive it as less important. As a result, trade-in consumers may be willing to pay a higher price for the new product than buyers alone. On the other hand, due to the endowment effect, trade-in consumers and sellers (e.g., a consumer who only sells her used good) are likely to perceive the used product transaction as equally important. Therefore, their WTA price for the used product should be equivalent.

We first test the above hypotheses through a series of lab experiments. Participants were asked to imagine engaging in either a trade-in or buying/selling alone transaction. For example, in one study, participants imagined one of the following three scenarios: trading in their used vehicle to purchase a new one, buying a new vehicle, and selling their used vehicle. Participants were provided with information regarding the new and/or used vehicle. After reviewing relevant product information, participants were asked to estimate a WTP price for the new product and/or WTA price for their used product. Across a number of different product contexts (e.g., automobile, house, piano), we consistently found that whereas sellers alone are likely to estimate a comparable WTA price for their used product as trade-in consumers, buyers alone are likely to

estimate a much lower WTP price for the new product compared with trade-in consumers. We further demonstrate that perceived importance toward the used car transaction is the underlying mechanism for the above effects. In addition, we demonstrate that the observed effects are not due to income effect (i.e., trade-in consumers pay more for new car because they have more cash due to the used car trade-in). Finally, to lend external validity to our lab findings, we examined real world field data from the automobile market. Specifically, after controlling for various other variables which may have an impact on the negotiated price, we were able to show that trade-in customers end up paying, on average, an amount of $452 more than customers who simply buy a new car from the dealer. This systematic difference in prices offers additional support to the hypothesis that trade-in consumers are willing to pay a higher price for the new vehicle than non-trade-in customers.

This research makes several important contributions. First and foremost, it advances the well-documented endowment effect by suggesting that it not only affects consumers' WTA for their currently owned product, but also their WTP for a new/upgraded product they intend to buy in a related transaction. Second, this research adds to the buyer-seller differences literature by investigating situations where consumers act as both sellers and buyers simultaneously and arguing that such trade-in consumers tend to place heightened importance on the trade-in value of their used product, and therefore exhibit a higher WTP for the new product compared to those who only buy the new product. Finally, this research promises to offer rich managerial implications as to how to better understand consumer psychology when multiple transactions are involved and thus offer implications for how to effectively manage the process.

### "A Reason to Spend? The Effect of Unexpected Price and Wealth Changes on Hedonic Purchases"
*Amar Cheema, Washington University in St. Louis*

#### Theoretical Background

Individuals often seek justifications for their decisions (Shafir, Simonson, and Tversky, 1993). This is especially true for purchases of hedonic items because such decisions evoke guilt (Kivetz and Simonson 2002; Prelec and Loewenstein 1998). Consequently, marketing activities that provide justifications for hedonic purchases prove to be highly effective. Indeed, research suggests that justifications such as price discounts and charity donations associated with hedonic products increase likelihood of purchases more than those associated with utilitarian products (Khan and Dhar 2007; Strahilevitz and Myers 1998). Using a motivated reasoning perspective, we argue that individuals considering the purchase of a hedonic product (e.g., a vacation package) will be more likely to purchase when price decreases provide them a justification to do so (Amir and Dawson 2007; Kunda 1990; Okada 2005). We also study how unexpected increases in wealth (i.e., windfall gains) affect individuals' purchase likelihood of hedonic products. Consistent with prior research on unexpected gains (e.g., Arkes et al. 1994; Heilman, Nakamoto, and Rao 2002; Soman and Cheema 2001), we propose that individuals use unexpected wealth increases to justify hedonic purchases in a manner similar to price decreases.

Furthermore, we explore the effect of unexpected price increases and wealth decreases on purchase likelihood of hedonic products. These changes provide individuals with a reason *not* to spend and are inconsistent with a motivation to purchase. Thus, motivated individuals may try to ignore these changes, when possible. We expect that individuals will be successful in mitigating the effect of these changes when the changes are more (vs. less)

uncertain (e.g., Shelley 1994). In the present research such a process of ignoring unexpected decreases reveals that uncertain wealth decreases (e.g., drops in stock value) are discounted to a greater extent than are relatively more certain wealth decreases (e.g., drops in income), even when both these assets are earmarked for the hedonic purchase to control for fungibility differences (Shefrin and Thaler 1988).

A consistent pattern of spending more when values of assets increase, while not decreasing spending when asset values decrease, would likely lead individuals to spending more than their means. Using the 2004 Survey of Consumer Finances, we study how the tendency to spend asset value increases is correlated with individual debt. We find that asset value spenders have higher overall debt, larger mortgages, and greater amounts of outstanding credit card debt, than do individuals who are unlikely to spend asset value increases. We conclude with implications of our results for individual finances.

#### Overview of Studies

We study the effect of unexpected changes in prices and wealth across three studies. Study 1 used undergraduate students who have funds earmarked for the hedonic purchase (thus controlling for fungibility differences). We find that an unexpected price decrease is sufficient to prompt purchase, irrespective of changes in individuals' wealth. However, among individuals faced with an unexpected price increase, individuals whose wealth increases are more likely to purchase (versus individuals whose wealth decreases). Furthermore, (less uncertain) income decreases lower purchase to a greater extent than (more uncertain) stock value decreases, while income and stock increases affect purchase in an identical manner. Study 2 replicates this asymmetric effect with relatively older, non-student individuals, using a budgeting scenario that manipulates the overall portfolio of individual assets. In addition, we identify an important individual difference measure (individuals' propensity to spend more when asset values increase) that is correlated with the effect of asset value increases on purchase.

Study 3 uses data from the 2004 Survey of Consumer Finances to study how individuals' propensity to spend asset value increases relates to measures of individual debt. We find that individuals who are more likely to spend asset value increases have higher overall debt than those who are less likely to spend asset value increases. More specifically, the former have higher credit card debt and mortgages than the latter. Taken together, these results suggest that individuals use a motivated reasoning approach to discount the impact of uncertain wealth decreases on spending, while allowing uncertain wealth increases to increase purchase likelihood. A consistent pattern of such motivated reasoning likely leaves individuals spending more than their means, contributing to greater individual indebtedness and higher interest payments.

#### Implications

*Increasing purchase likelihood.* Price discounts are one of the most popular tools used by marketers to increase store visits and purchase likelihood (Blattberg, Briesch, and Fox 1995), providing individuals with price savings as well as non-price benefits (Chandon et al. 2000). Recent research suggests that these non-price benefits may be more pronounced for hedonic versus utilitarian products (Khan and Dhar 2007). In addition to emphasizing price savings when individuals are considering purchases of hedonic products, another method of increasing purchase likelihood may be to emphasize unexpected wealth increases. Indeed, stores often allow individuals to file for tax refunds in-store, and use the unexpected

wealth increase to purchase products. Emphasizing other sources of unexpected wealth increases (e.g., stocks when the bourses are on the rise, or home values when real estate is appreciating) may also prompt higher individual spending.

*Individual debt.* Individuals often use mental accounts to control their spending and consumption (e.g., Thaler, 1999). However, unexpected asset and income changes may allow individuals to justify indulging in otherwise constrained activities. We find that motivated individuals use wealth changes selectively to justify purchases of hedonic products: while decreases in value of uncertain assets are discounted and affect purchase likelihood less than income decreases, increase in the value of uncertain assets affects spending in a manner similar to income increases. One consequence of spending asset value increases is higher individual debt when these increases cannot be supported by income increases, as demonstrated in study 3 by data from the 2004 SCF.

### "Planning to Make Unplanned Purchases? The Role of Discretionary Budgets In In-Store Decision Making"
*Karen M. Stilley, University of Pittsburgh*
*J. Jeffrey Inman, University of Pittsburgh*
*Kirk Wakefield, Baylor University*

Researchers and practitioners alike have commonly assumed that unplanned purchases (i.e., Heilman, Nakamoto and Rao 2002; Park, Iyer and Smith 1989) are largely due to consumer susceptibility to in-store stimuli. On the other hand, two major studies have reported the surprising finding that actual spending closely approximated spending intentions despite the fact that over 50% of purchases were unplanned (Kollat and Willett 1967; POPAI 1995). In this paper, we draw upon mental budgeting to provide an explanation for this paradox.

While economists have traditionally assumed that money is fungible, research has shown that consumers use a form of mental budgeting where they allocate money to mental accounts and resist further purchases when the budget is depleted (Heath and Soll 1996; Thaler 1985). While studies have found that consumers have budgets for groceries in general (Heath and Soll 1996; Heilman et al. 2002), we take this further to propose that consumers have a mental budget, even if implicit, at the shopping trip level. Furthermore, we posit that consumers anticipate the occurrence of unplanned purchases in their spending expectations because they realize they do not have enough time or cognitive resources to fully plan (i.e., Bettman 1979) and/or because they want to be able to make spontaneous decisions while in-store (e.g., Stern 1967).

Therefore, we first propose that consumers' shopping trip budgets are typically comprised of a *pre-allocated budget* (PAB) and a *discretionary in-store budget (DIB)*. We conceptualize the *PAB* as the amount of money that the consumer has allocated to spend on items planned to the brand or product level and the *DIB* as the amount she expects to spend on unplanned purchases. We then make predictions about how the size of the DIB will vary depending on trip and consumer characteristics.

We employ two field studies to test our hypotheses. In Study 1, we use data from 2300 in-store intercepts from the Point of Purchase Advertising Institute's (POPAI) 1995 Consumer Buying Habits Study. Before they entered the store, respondents were asked what items they planned to purchase and how much they intended to spend. After they had checked out, interviewers recorded information regarding the actual items purchased and the actual amount spent. Since this dataset does not contain a direct measure of the PAB or DIB, we employ a two stage approach to test our hypotheses. In the first stage, we conduct a multiple regression analysis with planned spend as the dependent variable and use these results

to generate estimates of each consumer's PAB and DIB. In the second stage, we use our estimates of PAB and DIB to simultaneously conduct two multiple regressions where the dependent variables are number of unplanned purchases and amount spent. In Study 2, we conduct a field study with 100 respondents. In this study, we replicate the method employed by POPAI, however, in addition to total planned spend, we also ask respondents to estimate the cost of the items they planned to purchase (i.e., their PAB). This approach allows us to measure the respondents PAB and DIB. In addition, we measure psychographics such as planning tendency and shopping task orientation.

In both studies, we find incidence of the discretionary in-store budget. Consumers' mental budget for the trip includes room for unplanned purchases and the size of the DIB is a strong predictor of amount spent on unplanned purchases. Furthermore, we find consistent support for our hypotheses that the size of the DIB varies depending on trip and consumer characteristics. As predicted, we find that the DIB is larger for major trips than for fill-in trips and that this difference increases as household size increases. We also find that while higher income households have larger DIBs, they still exceed their larger budget by a greater amount. In Study 2, we show that an individual's shopping task orientation and, on major trips, their planning tendency are negatively related to the size of their DIB. Finally, we show that consumers spend $0.50 per dollar in their DIB when they shop only the aisles where they need something, but spend $0.95 per dollar in their DIB when they shop most aisles.

Our results have implications for both retailers and consumers. For retailers, this research suggests that in-store stimuli may simply serve to redirect *what* items consumers purchase rather than to encourage incremental spending. As a result, in-store stimuli may not actually be generating incremental sales. For consumers, more research is needed to determine whether a DIB is an effective technique for constraining spending or whether the DIB is creating a self-fulfilling prophecy that consumers buy unplanned items that they do not really need.

### "The Prudent Shopper: Self-Control in Shopping"
*Leonard Lee, Columbia University*
*Ziv Carmon, INSEAD*
*Ravi Dhar, Yale University*

Consumers are often portrayed as victims of modern retail environments. They seem to respond readily to the arsenal of purchase triggers employed in retail stores, be they explicit marketing devices such as posters, sale signs, and product sampling (e.g. Anderson & Simester 1998), or more implicit cues within the shopping environment such as carefully selected background music and scents (e.g. Kotler 1973, North, Hargreaves, & McKendrick 1999). Indeed, much empirical research documents the substantial effectiveness of a wide variety of marketing actions at boosting sales (see, for example, Neslin 2002 for a comprehensive review of sales promotion effects).

In a series of field experiments conducted at a local convenience store, we demonstrate that consumers can sometimes oppose spending influence attempts: purchase inducing cues, instead of motivating consumers to spend, can sometimes backfire, making more salient the possibility of diverging from the higher-order goal of acting prudently by overspending, and putting consumers into a more frugal state of mind instead to the extent that these consumers can end up spending less than they otherwise would (Fishbach, Friedman, & Kruglanski 2003, Trope & Fishbach 2000). In each experiment, we monitored and analyzed consumers' spending behavior under different conditions. Across all three experiments,

we consistently employed an offer of a shopping basket as the primary vehicle via which we prompted store customers to spend, hence making salient the possibility of overspending to consumers and potentially triggering them to monitor their shopping.

Experiment 1 (*N*=356) was designed to investigate the basic effects of external spending triggers on consumer spending. Two hundred customers were randomly assigned to one of two experimental conditions. Upon entering the store, half of these customers were first offered a $1-off coupon by a research assistant disguised as a store clerk; immediately after the customers accepted the coupon, the research assistant offered them a regular shopping basket from the store ("basket-offered" condition). During the same time that we conducted this experiment, we also collected the shopping receipts of (156) customers who were offered neither the coupon nor the shopping basket (control condition). Whereas those who were offered only the coupon did not differ in average spending compared to control customers who were offered neither a coupon nor a basket (*p*=.94), customers who were offered both the coupon and the basket spent significantly less than those in the other two conditions (both *ps*<.05). In two follow-up prediction studies (using both a between-subjects design and a within-subjects design), we showed that this prudent shopping effect conflicts with lay beliefs: respondents in both studies mispredicted that customers offered a shopping basket would spend more, not less. Consistent with Fishbach, Friedman, and Kruglanski (2003), these studies also suggest that the activation of the prudent shopping goal (as a result of a spending prompt) is automatic.

An underlying assumption of our self-control account is that cognitive resources are required for deliberately exercising vigilance and prudence in spending (Baumeister et al. 1998, Shiv & Fedorikhin 1999) even if the initial activation of the prudent spending goal can be automatic (Fishbach, Friedman, & Kruglanski 2003). In our shopping context, this assumption implies that when consumers experience significantly reduced cognitive capacity, they should be less capable of exercising self-control when confronted with spending motivators and could perhaps spend even *more* than they normally would. We thus sought support for the self-control account in Experiment 2 (*N*=150) by manipulating consumers' cognitive ability to exercise prudence during shopping. In this experiment, customers who entered the store were approached before shopping for an experiment purportedly designed to study "the effects of shopping on memory." Half the customers were asked to memorize a random two-digit number ("low-load" condition), whereas the other half were asked to memorize a random eight-digit number ("high-load" condition); all participants were also given both a $2-off coupon and a shopping basket and told that they would have to reproduce the correct number upon exiting the store after shopping to qualify for the $2 coupon redemption. The results of this experiment revealed that customers under higher cognitive load spent significantly more, compared to both customers under lower cognitive load and those in the control condition who were not given the memorization task (both *ps*=.04), corroborating the self-control account in explaining the prudent shopping effect.

In Experiment 3 (*N*=120), we tested the self-control account more directly by examining both the situational and chronic mindsets of consumers after being prompted to spend. Specifically, using a post-shopping survey, we (1) examined consumers' attitudes toward spending (i.e. how frugally they spent) after receiving a basket offer (Lastovicka et al. 1999), and (2) considered the degree to which the prudent shopping effect depends on consumers' chronic impulsiveness to spend (Puri 1996). Consistent with our predictions, the results revealed that the prudent shopping effect was more pronounced among impulsive shoppers who would benefit more from external cues that reminded them to be cautious not to overspend (*p*<.05). Results from the post-shopping survey also indicated that customers who were prompted to spend with a shopping basket offer rated themselves as more frugal compared to those who did not receive the basket offer (*p*=.03), further supporting the self-control account.

Overall, our results suggest that some marketing initiatives designed to increase consumer spending may backfire with some consumers in that they might suppress rather than boost spending. Further research is needed to examine such implications as well as boundary conditions for this prudent shopping effect.

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# The Ties That Bind: Transnational Families, Transnational Consumption
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## SESSION OVERVIEW

The theme of this year's ACR conference is "Building Bridges." This session explores the theme from the perspective of bridging consumptionscapes across cultures and nations. The focus of this session is transnationalism and the effect on consumption in both an intra- and inter- national context. The three presentations together attempt to explore the impact and the consequences of "intranational and international cultural interpenetration" per Andreasen (1990, p. 848). Andreasen advocates that with the accelerating rates of immigration, it is the responsibility of consumer researchers, both for advancement of our knowledge and for societal benefit, to attempt to describe and explain both the nature of the cultural interpenetration and the consequences for both the immigrant and the penetrated cultural groups (Andreasen 1990). In this session we focus on families; families who have transcended the limitations of national boundaries, functioning in essence as bi-national units. As the authors examine these transnational families in three different settings and three different contexts, they analyze not only the effects of cultural penetration on consumption within the receiving or host societies, but take into account the impact on the originating or home countries as well.

The first paper examines bi-national households in the U.S., comprising two national combinations: specifically U.S. born spouses married to either Mexican or Filipino immigrants. In this study, bi-national households refer specifically to households with partners from two different countries of origin, where the country of residence is both the host and home country for the immigrant and native spouse respectively. It becomes clear that the intersection of the two cultures in these households exacerbate several of the decision making issues that come to play in any household, and has an impact on the bases of power, decision making influence and consumption preferences of the family unit.

In the second presentation, the authors narrow in on consumption behaviors in families that extend across national borders. The focus is on the flows of consumer products, services and capital which spans the economies of the U.S. and Mexico; the remittances sent by family members working in the U.S. to their families in Mexico. Peñaloza and colleagues explore the transnational consumptionscape of Mexican emigrant workers and their families in Mexico, specifically the manner in which these transmitted resources are consumed in Mexico and the impact on social relations within the family and within the families' wider social networks.

The final paper complements the first two as Üçok and Askegaard study transnational families in Denmark; Turkish immigrants who travel to and fro and have formed a link between their different worlds in Denmark and Turkey. In this paper, these Turco-Danish transmigrant consumers attempt to construct living spaces for themselves in both countries, as they move back and forth between the two cultural contexts. They go beyond the boundaries of nation states, creating in essence a transnational social and consumption space, based on the transference and conversion of economic, social and cultural capital between the two countries.

These three papers combined offer differing theoretical perspectives of the relative influence of capital resources within the family, drawing on Bourdieu's conceptualization of economic, social and cultural capital within a particular realm of consumption–that of the transnational family unit. This session thus provides an excellent cross-national and cross-contextual comparison of the

same phenomenon: examining consumption behavior in families who operate within, between and beyond different cultural frames.

## EXTENDED ABSTRACTS

### "For Better or For Worse: The Intersection of Cultures in Bi-National Homes"

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The bi-national family unit formed through the marriage of two individuals from different cultural backgrounds, can be seen as a crossroads, an "intersection" between two clearly delineated modes of thinking, patterns of beliefs and social constructs that define the concept of culture. This intersection of cultures is necessarily multidimensional in nature as manifested through the relationships between the spouses, the internal family dynamics, the external relational ties and support networks, and the consumption patterns of the household. Yet, despite the increasing globalization of markets and communication, the trans-national movement of knowledge and people, and the inevitable rise in the number of intermarriages between individuals from different countries and cultural backgrounds, the view of the family in decision making research has been as a homogeneous cultural unit. The culturally heterogeneous household has been virtually ignored by the literature.

Over the past 50 years, research studies in household decision-making have focused on marital roles, exploring the relative influence of gender on decision making roles (Davis 1970; Green and Cunningham 1975; Shuptrine and Samuelson 1976) and the decision-making process (Davis and Rigaux 1974; Putnam and Davidson 1987; Ford, LaTour and Henthorne 1995). Research has shown that the base of conjugal power in a particular household often drives gender differences in marital roles (Wolfe 1959; Blood and Wolfe 1960; Raven, Center and Rodrigues 1975), and that these gender differences have changed and evolved over time, as marital roles have become more egalitarian, with fewer traditional gender divisions (Qualls 1987; Lackman and Lanasa 1993; Belch and Willis 2002). Studies on household decision making have also been conducted in different countries (Davis and Rigaux 1974; Webster 2000), as researchers have discovered that marital roles and the bases of conjugal power differ across cultures and nationalities (Rodman 1967; Rodman 1972; Brown 1979; Green et al 1983; Webster 1994; Ford, LaTour and Henthorne 1995). However, this recognition of the importance of the cultural framework has been limited to the examination of "monocultural" families within a particular cultural context.

This research project addresses that gap in the literature, adding to the knowledge base on household decision-making, through an investigation of the effect of cultural diversity on decision roles, power dynamics and consumption within the bi-national household. This study makes a public policy contribution, adding to our overall understanding of the adaptation patterns of immigrant populations in the U.S. today, an increasingly important consumer segment. This analysis may also help managerial and political decision makers to appreciate some of the dynamics involved in cross-cultural interactions at the most fundamental group level–the level of the family.

The study answers the following key research question: How does cultural diversity within the family affect the decision making roles and bases of conjugal power in the household? Hence, the

purpose of this study is to explore the influence of culture of origin and culture of residence on purchase decision roles, decision influence and consumption within the family unit. This research focuses on bi-national households with partners from different countries of origin, particularly where one partner is an immigrant to, and the other partner is a native of, the U.S. This paper seeks to examine not only who makes the decision, but also the context in which the decisions come to be made, both during the formative and maintenance phases of the household. Thus an additional research question asks: What are the types of decisions that prevail in the formative stages of the household and how do they impact later decisions that support the maintenance of the bi-national household?

Since there are few studies within marketing on the impact of culture on the consumption decisions of monocultural immigrant families (Wallendorf and Reilly 1983; Peñaloza and Gilly 1986; Peñaloza and Gilly 1999; Webster 2000), and little to none on the role of culture within bi-national families, the author takes a discovery-oriented approach to data collection and analysis. The analysis focuses on data derived through short surveys and depth interviews with eighteen spouses. The survey data are mapped using a trio of feasibility triangles, based on the work of Wolfe (1959), Davis and Rigaux (1974) and Putnam and Davidson (1987). The results are then elaborated by the interview data.

Thus, this study makes both a methodological and theoretical contribution to the family decision-making literature. The combination of methods used to collect and analyze the data supports the notion that multimethod research can provide a richer view of the phenomenon of interest. In addition, this study augments the knowledge base in the family decision-making literature through an examination of the power dynamics and consumption decisions in intrinsically diverse households. While the established bases of conjugal power (French and Raven 1959, Raven et al. 1975) are still held as valid within this context, expertise as a source of power, is shown to have different dimensions. Cultural competence as a power base, both as a facet of cultural capital and as an aspect of expert power in family decision making, emerges as an overarching theme. Additionally, decisions relating to vacations, children's schools, and food consumption are seen as both exacerbated and constrained by the often starkly different backgrounds and preferences, and the need to maintain psychological and familial ties with family members in the immigrant spouse's home country. Decisions made in the formative phase of the household, e.g. where to live, also become more salient due to the need to factor in the differing national origins. These early decisions are also seen to have a significant impact on future levels of decision influence in consumption choices. These findings clearly have implications for family-decision making theory, specifically the bases of conjugal power and the dynamics of cultural diversity.

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## "Within Families, Beyond Borders: The International Social Structuring of Consumption in Mexico"

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Over 15 years ago Appadurai (1990) characterized disjunctions and difference in the global cultural economy, with consumptionscapes as one of five substantive domains. This work explores the contours of one such transnational consumptionscape, that for Mexican emigrant workers and their families in Mexico. Mexican immigrants number approximately 12 million in the U.S., and collectively sent over 22.9 billion dollars to Mexico in 2006 (London Guardian 2006). Previous work has highlighted push and pull factors motivating Mexican migration, the contours of immigrants' consumption behaviors in the U.S., and its embeddedness in transnational economic, social, and cultural networks (Peñaloza 1994; Rouse 1992). This work brings together work on consumption behavior with work on the postmodern family and on transnational social class in better understanding family consumption in the increasingly global economy.

First, as transnational consumption scholars have noted, most of our foundational consumption knowledge is based on a single national domain, and requires significant conceptual and methodological work to examine transnational consumption phenomena (Üçok 2007; Askegaard et al. 2005; Ger and Belk 1996). In this research we build upon previous work charting the nature and scope of the flows of money, products and services, and people, as they pertain to the nature and impacts of international movements of consumption meanings and values for families that transcend Mexican and U.S. national borders.

Second, we view the family as a coping social structure, and seek to extend previous work theorizing family adaptations in composition and function in relation to changing social, economic, and historical circumstance (Chauncey 2004; Stacey 1990; Zaretsky 1976). Our focus is on members who move from Mexico to the U.S. for better jobs, education, and standard of living, etc., and who retain family ties in Mexico, as we examine their effort, capital, and consumer behavior in making their families work. Thus various consumption technologies are relevant, in the form of internet mediated connections, international financial transfers, shipping and transportation services that foster and/or inhibit emotional, economic, and cultural ties important in maintaining, reuniting, and reinscribing family in the U.S. and Mexico. Such consumption is marked by visits, participation in holidays and other cultural rituals and rites of passage such as weddings, birth, death, and graduation, or when visits are not possible or desirable, by the transmission of currency and/or gifts.

The third leg of our theoretical framework hones in on the recursive nature of consumption and social status (Bourdieu 1984), in exploring how national hierarchies change with such transnational family consumption. Analysis sifts through the malleable versus anchored nature of social distinctions within the nation-state, with attention to how they are affected by consumption that extends across national contexts. Our hope is to extend previous work emphasizing hybrid cultural forms as the result of globalization (Ger and Belk 1996) by mapping their particular patterns and processes. Of particular interest is tracing the impacts of forms of consumption (i.e., products/services, fashions, and ideas) informants associate with the U.S., as they circulate with and against forms of consumption associated with Mexican culture.

Our research design entails depth interviews with ten families living in Mexico that vary in relation to the Mexican emigrant worker, as well as in family composition, social class, age, gender, and rural/urban residence. Interviews begin with daily life in Mexico, particularly consumption of particular products and services, and then proceed through family, community, and national activities and events. We then inquire about family members working in the U.S., what they do, and how often they communicate and visit, ultimately turning to the types of items and amounts of money they send and its uses and significance to family members and in the community.

We hope to contribute to knowledge of transnational consumption behavior in better understanding how it manifests and operates in families and social class hierarchies that traverses national boundaries.

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## "Capital Build-Up and Transfer: The Case of Turco-Danish Transmigrants"

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This research demonstrates how immigrants whose lives stretch between Turkey and Denmark allocate their financial resources between these two countries and the reasons behind these decisions. The point of departure for this investigation is the application of a transmigrant (Basch, Schiller & Blanc 1994) perspective on these immigrant consumers, stressing that they are trying to construct living spaces for themselves in *both* home and host cultures. They

thus differ from other types of migrating populations, e.g. cosmopolitans (Thompson & Tambyah 1999) in that they are generally not free movers in the global ethnoscape (Appadurai 1990) but firmly rooted in life and identity projects in only two cultural contexts, what we could call a home and a host culture using the standard terms of immigration research.

We adopt Bourdieu's (1984) notions of social and cultural capital as our main theoretical construct. In addition to the economic capital, which is central to most classical social and consumer research, Bourdieu integrates two more types of capital, cultural and social (which he also calls symbolic), into his analysis. The economic capital is one's financial assets, the social capital is the social networks and group memberships one has, and the cultural capital is mainly related to the general knowledge associated with arts and style of living that one acquires, usually through the family which one is born into and education acquired through formal institutions and family. He argues that, the 'cultural capital' and 'social capital' are often ignored as their transmission is more disguised than the economic one. To Bourdieu (1984) capital signifies power, and forms of capital can be transformed into one another under certain circumstances. Holt (1998) has demonstrated the usefulness as well as the need for contextualization of Bourdieu's conceptual apparatus for consumer research also outside the French context in which it was created.

Thirty-one informants consisting of families and single persons were studied using interviews, participant observations and photography in multiple sites in Turkey and Denmark. The multisited ethnography allowed us to observe the differences in lifestyles of informants in their home and host societies in terms of their economic, social capital and cultural capital. The study focused on economic dispositions, possessions and spending patterns in Denmark and Turkey respectively. Also included were themes on ethnicity and identity, the degree of transmigration present in the lives of the informants and their hopes and expectations of their future.

As indicated by our previously mentioned "transmigrant perspective", the discussion presented in this paper does not claim true for all Turkish immigrants included in the research. It is about a subgroup of the studied informants, with particular investment characteristics. These group of transmigrants, labeled as "myth of returners" in a previous related article by Ucok and Kjeldgaard (2006), tend to divert their investments mainly to Turkey. These investments include land, estate, bank deposits, shares in Turkish companies, and gold coins and jewelry.

The main reasons for investing in Turkey are historical, economical and social. Historically immigrants from Turkey migrated to Europe as guest workers, temporary workers that intended to save money and return to their countries. Initially, their temporary stay in Denmark was the main reason for investing in Turkey. Economically, the discrepancies between the economies of Denmark and Turkey make it attractive to invest in Turkey. While the high taxes supporting the Danish welfare system have been creating incentives for the immigrants to engage in black economic activities and yielding extra income, the Turkish financial system has been making it attractive for them to deposit their remittances in Turkish banks. Socially, the increase in their economic wealth, in other words their economic capital, means the increase in their social capital. Being a landowner and having economic wealth allow them to have a higher social status in their hometowns that they once left as poor peasants.

The economic capital of Turkish immigrants in Denmark is on a par with at least parts of the native Danish population due to a well functioning welfare state that allows a fair income distribution and equal job opportunities. However, Turkish immigrants often lack social and cultural capital in Denmark that would allow them to better integrate into the Danish society. What they lack in Denmark, they try to compensate in Turkey and they do this through accumulation of economic capital.

Based on our findings, we construct a model illustrating the flow and conversion of economic, social and cultural capital between the Danish and Turkish contexts. One of the main arguments is that economic capital gained in the host cultural context is transferred into social and cultural capital in the cultural context of origin. This flow is throwing new light on acculturation processes as they have been described in the consumer behavior literature (e.g., Peñaloza 1994, Askegaard, Arnould & Kjeldgaard 2005). It also extends the knowledge of the role of consumption for Turkish immigrants' identity construction (Ger & Østergaard 1998).

This model accentuates, how external and self-imposed barriers for capital conversion, especially between economic and social capital, in the host cultural context, lead transmigrants to engage in other kinds of capital transfer oriented towards the home culture, reinforcing the transmigrant character of their lives. The results thereby extend the findings of Ça?lar (1995) from the business market to private consumption sphere. Our results finally have implications for Danish immigration policy, since they point to the role of consumption patterns and capital build-up as central factors in relation to successfulness of political attempts to ensure a better integration of Turkish (and other) immigrants in Danish society.

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# Alternative Perspectives on Consumer Judgment and Choice

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## SESSION OVERVIEW

Consumer studies of judgment and choice, like decision research more generally, have tended to adopt a narrow point of view or a particular method of investigation, without trying to examine the same phenomena from different perspectives. As is well-established, the perspective (or frame) and approach that are adopted at the outset of a study can often have a major impact on the findings and conclusions derived from the investigation. Although one can contrast the findings of separate investigations in order to learn about a problem from different perspectives, variations in concepts and methodologies often limit our ability to make such comparisons.

Accordingly, the main objective of this session is to advocate and illustrate the application of different approaches and perspectives within the same investigations of judgment and choice phenomena. Each of the three papers in this session examines judgment and/or choice phenomena from two different perspectives, focusing on the implications of each perspective with respect to our understanding of the underlying processes and the derived predictions and explanations. We hope that the multi-perspective approach advanced in the session will have a broader impact on future investigations of consumer judgment and choice behavior.

The paper by Sood, Rottenstreich, and Trepel contrasts predictions from traditional approaches for studying anchoring and adjustment with predictions from a dual process perspective. Traditional models do not distinguish the types of stimuli that may engender greater or reduced anchoring effects. Using a dual process framework, they show that stimuli that are reliably judged by "System 1" are not subject to anchoring effects whereas stimuli that typically invoke "System 2" are subject to anchoring effects. Consistent with their analysis, they show, for example, that differences in anchoring effects depend on whether the judgments were regarding personal taste or more complex judgments.

The paper by Gao and Simonson examines two perspectives regarding the consumer decision making order and its impact on the resulting choices. One perspective focuses on situations in which consumers first decide whether to choose and then make a selection from a set of options; the other perspective reverses the order, with the option selection decision coming first followed by the decision whether to make any choice. Across a wide range of problems (e.g., asymmetric dominance, assortment size effect, vice vs. virtue choices), they show that the Option selection→No/Buy order is driven by the relations among options whereas the No/Buy→Option selection order highlights overall features of the set.

The paper by Simonson contrasts the currently dominant notion that consumer preferences are constructed with an alternative view whereby revealed preferences reflect both constructed and *inherent preferences*. Briefly, this paper proposes that much of the evidence for preference construction reflects people's difficulty in evaluating absolute attribute values and tradeoffs and their tendency to gravitate to available relative evaluations. A nonconstructive concept of *inherent preferences* is then presented, suggesting that it is often meaningful and useful to assume that people are non/receptive to certain object configurations, including those that may not yet exist. This notion may have far reaching implications for our understanding of preferences and for consumer research.

## EXTENDED ABSTRACTS

### "Exploring Boundary Conditions for Anchoring by Contrasting Traditional Approaches and Dual Process Models"

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Christopher Trepel, Industry, USA

In this research we contrast predictions from the traditional approach for studying anchoring and adjustment with an alternative approach that stems from recent research in dual process models. Traditional approaches have not identified clearly the types of estimates that may be more or less susceptible to anchoring effects. We show how dual process models help to shed light on this issue by delineating the effect of anchors in different contexts.

Since it was first highlighted by Tversky and Kahenman (1974), anchoring and adjustment has been implicated in many important phenomena, including patterns as disparate as preference reversals (Lichtenstein and Slovic 1971), hindsight bias (Fischoff and Beyth 1975), and the effect of ambiguity on judgments (Einhorn & Hogarth 1985). Recent research by Strack and Mussweiler (1997) suggests that anchoring is a special case of semantic priming. On the other hand, work by Epley and Gilovich (2006) has emphasized that the anchoring process is a function of the anchor itself and differentiates between processes arising given self-generated versus other-generated anchors.

In this research, we study anchoring using dual process models such as that proposed by Kahenman and Frederick (2002; see also Stanovich and West 2002; Sloman 1996). These models propose an interplay between two systems or modes of thought. "System 1" is marked by rapid, automatic, and associative processing that provides an initial (and often final) response to stimuli. System 2 is marked by slower, more controlled, and deliberative processing and sometimes overrides, corrects, or supplements the response of System 1. A dual process framework may help explicate the types of stimuli and the conditions under which anchoring will or will not occur.

Earlier research characterized anchoring as less likely to occur when an individual holds a strong a priori attitude towards the stimulus being judged. We suggest a modification of this conclusion; in particular, anchoring may be less likely to occur for stimuli engendering a compelling reaction by System 1, a reaction that either does not need or cannot benefit from the supplemental processing provided by System 2. To illustrate, consider how much you like chocolate. System 1 provides an immediate response to this question; moreover, this response may not benefit much from more deliberative processing by System 2. That is, one "knows" how much one likes chocolate, yet one cannot "figure out" how much one likes chocolate. In sum, using a dual process view, judgments of personal taste (e.g., how much do you like chocolate?) and aesthetics (e.g., how attractive is the Eiffel Tower?) are unlikely to be susceptible to anchoring. On the other hand, more complex judgments involving these matters (how much would you pay for Godiva chocolates?) should be susceptible to anchoring.

Note further that in a dual process framework, adjustment is a System 2 process. Thus, cognitively taxing individuals should dilute anchoring effects for matters of taste and aesthetics, because

it will lead people to rely on their accessible System 1 response. On the other hand, cognitively taxing individuals, should accentuate anchoring effects for more complex matters that necessarily engender System 2 processing. In these cases, System 2 will operate but will adjust less than it would were it not taxed.

We examined these predictions in two experiments. In experiment 1, we find differences in anchoring effects depending upon whether the judgments were regarding personal taste or more complex judgments. In experiment 2 we use a cognitive load manipulation to suppress the use of System 2 and examine corresponding changes in the anchoring and adjustment process.

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### "Perspectives on Consumer Decision Order and Their Impact on Purchase Behavior"

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*Itamar Simonson, Stanford University*

A purchase usually involves two decisions and can be examined from both perspectives: a *selection decision* (which option I like most) and a *buy/no-buy decision* (whether or not to buy it now; see also Dhar and Nowlis 2004). The order in which consumers make the two decisions may vary across different shopping situations. For example, consumers tend to make the buy/no-buy decision prior to the selection decision when they have a shopping list or are facing a big sale. However, when consumers are simply browsing at a bookstore or visiting an antique shop, they tend to make the selection decision prior to the buy/no-buy decision. The two decisions may also be made simultaneously (e.g. many impulsive shopping decisions). Prior research on decision-making has either focused on the selection decision or examined the joint consequence of the two decisions. In the present research, we separate the two perspectives on consumer decision processes and show that different decision procedures lead to systematic differences in consumers' purchase likelihood.

Specifically, in a series of studies (based on the dissertation of the first author), we contrast consumers' purchase behavior under different decision orders. In one condition, participants are first asked to decide whether to choose and then make a selection from a set of options (the *buy-select decision procedure*). In another condition, participants are first asked to make a selection and then decide whether to make any choice (the *select-buy decision procedure*). To compare the two decision orders with the traditional way of examining choice deferral (e.g., Dhar 1997), we add a third condition where consumers are asked to make a selection when a no-buy option is treated as another choice option (the *one-step decision procedure*).

Building on the preference reversal literature (e.g., Tversky, Sattath, and Slovic 1988) and temporal construal theory (e.g., Trope

& Liberman 2000), we propose that although different decision orders provide logically equivalent end states, they activate a different evaluation focus, which in turn affects consumers' purchase likelihood. When the selection decision is made first, consumers focus on assessing comparative characteristics of alternatives and weighing relevant differences among them. When the buy/no-buy decision is made first, however, consumers focus more on assessing their need for the product and judging the overall features of the choice set. In other words, an initial focus on the selection decision limits the scale of comparison to alternatives within the set. But an initial focus on the buy/no-buy decision increases the scale of comparison to trading off benefits of purchase with that of deferral.

We explored the decision order effect across a wide range of problems based on the notion that factors that primarily affect the overall feature of the choice set would have stronger influence on the buy-select procedure, whereas factors that primarily affect the difficulty of comparing alternatives within the set would have stronger influence on the select-buy procedure. Following are brief summaries of the results of already completed studies:

(1) *Decision Order & Donation Behavior*: The buy-select decision order induced a higher donation rate (involving charities to save particular animal species) than the select-buy order.

(2) *Decision Order & Dominance Structure*: Including a dominant option in the choice set significantly increased purchase rate in the select-buy condition, but had no effect in the buy-select or one-step conditions.

(3) *Decision Order & Assortment Size*: Large (vs. small) assortment is found to decrease purchase rate in a select-buy decision order, creating a choice "overload" effect, but increase purchase rate in a buy-select decision order, resulting in a "reverse overload" effect.

(4) *Decision Order & Product Nature*: When choosing among "virtue" products, the select-buy order led to higher purchase rate than the buy-select order. When choosing among "vice" products, however, decision order has no effect on purchase rate.

We are currently running additional studies to explore the process underlying the effects of decision order as well as boundary conditions.

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### "Will I Like a "Medium" Pillow? Another Look at Constructed and Inherent Preferences"

*Itamar Simonson, Stanford University*

There is a growing consensus that preferences are inherently constructive and largely determined by the task characteristics, the choice context, and the description of options. In this paper, I argue that much of the evidence for preference construction reflects people's difficulty in evaluating absolute attribute values and

tradeoffs and their tendency to gravitate to available relative evaluations. Furthermore, although some key demonstrations of constructive preferences involved rather unusual tasks and might have "benefited" from the effects they were demonstrating, the findings have led to rather sweeping, unqualified conclusions.

A nonconstructive, pre-contextual concept of *inherent preferences* is then presented, suggesting that it is often meaningful and useful to assume that people are non/receptive to certain object configurations, including those that may not yet exist. Inherent preferences are most influential when reference points and forces of construction are less salient, most notably, when objects are experienced. A series of specific research propositions will be presented. It is important to recognize that both constructed preferences and inherent preferences pose major challenges to the effectiveness of marketing research, in general, and to the prediction of consumer preferences, in particular. Thus, the final part of the presentation explores some of the implications of constructed and inherent preferences with respect to decision and marketing research.

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# What's Your Motivation?
## Affective and Cognitive Processes that Motivate Behavior and Choices

Kelly Goldsmith, Yale University, USA
Monica Wadhwa, Stanford University, USA

### SESSION OVERVIEW

*"People's behavior makes sense if you think about it in terms of their goals, needs, and motives"*
*-Thomas Mann*

*Introduction*: What drives us to pursue our goals, what motivates us to behave in certain ways, how does our motivational system work have all been questions that have evoked considerable interest through the ages. Greek Philosophers such as Aristotle believed human behavior to be motivated by a desire to pursue goals that led to pleasurable outcomes or to the avoidance of painful outcomes. Hindu philosophy, on the other hand, perceived human behavior to be tied to intrinsic motivation. The importance of understanding what motivates human behavior and choices has been recognized by the consumer researchers as well. Extant research in social as well as consumer psychology has examined the mechanics of motivation through a variety of lenses including rewards and incentives (Deci 1971; Kivetz 2005), drive reduction theory (Hull 1951; Mowrer 1960) and hedonic versus utilitarian motives (Shiv and Fedorikhin 1999; Dhar and Wertenbroch 2000; Kivetz and Simonson 2002). The three papers in this session integrate some of these perspectives in presenting a dynamic view of goals and motivation.

*Session Objective and Overview*: The broad purpose of this session is to present work that adds significantly to the growing body of research on motivational factors underlying choices and behaviors. The more specific objectives of the proposed session are—1) examining how mental framing of choice alternatives and incentives can motivate choices and performance on a subsequent task and 2) shedding light on the process by which motivational states get satiated and the impact of satiated motivational states on subsequent consumption related behaviors. Keeping in mind the overall theme of the 2007 ACR ("Building Bridges"), the papers in this session explore the factors that impact the motivation underlying consumer behavior from diverse, yet related perspectives.

The session will begin with a focus on how framing an incentive in terms of gains or losses affects task-motivation. The first paper by Goldsmith and Dhar examines how the threat of a loss can enhance motivation on a task. Goldsmith and Dhar demonstrate that though people predict the incentives framed in terms of gains to be more motivating, incentives framed in terms of losses act as more powerful motivator in experience.

The second paper by Zhang and Fishbach builds on the first paper by extending the impact of mental framing on consumer motivation into the domain of consumer choices. Zhang and Fishbach's research explores how the mental framing of choice alternatives pertaining to goals and temptation motivates people's choices. To elaborate, Zhang and Fishbach demonstrate that when choice alternatives pertaining to goals and temptations are presented as a unified choice set, people assign a greater value to the temptation option. In contrast, when the same choice alternatives are presented in two different choice sets, people assign a greater value to the higher goal related option.

Finally, the third paper by Nowlis, Shiv and Wadhwa complements the first two papers by demonstrating the factors that satiate consumers' motivation to engage in consumption-related behaviors. Specifically, Nowlis, Shiv and Wadhwa demonstrate that being exposed to the odor of a food item can satiate the consumer and, therefore, reduce the subsequent consumption of not only the food item smelled to satiety but of other food and beverage items as well.

Collectively, the three papers provide cutting edge counterintuitive insights into the motivational processes that drive consumer behavior and decision making

### EXTENDED ABSTRACTS

#### "The Effect of Incentive Framing on Working Harder: Doing More Than We Predict"
*Kelly Goldsmith, Yale University*
*Ravi Dhar, Yale University*

Although it is well established that consumer behavior is goal driven, reaching a goal target often requires exerting effort on multiple tasks (e.g., the goal to lose 10 lbs. requires choosing healthy meals on multiple occasions). Much recent research has focused on self-regulation through changes in intrinsic motivation or goal commitment (e.g., Fishbach & Dhar, 2005). The role of extrinsic rewards on self-regulation and goal motivation has not received the same degree of attention in the academic literature, though extrinsic rewards have long been used as motivators (See Deci et al., 1999 for review) and firms often use rewards to motivate consumer behavior. For instance, a recent government initiative designed to motivate performance on advanced placement tests is now offering high school students $100 per test passed along with hedonic gifts (e.g., iPods) for attending test prep classes (Hechinger & Warren, 2007).

The current project makes an initial attempt at addressing the effectiveness of extrinsic motivation (e.g., monetary payment) on meeting a goal target depending on whether the incentive is framed as a gain or a loss from a reference point. Consider an individual has to perform a set of eight challenging tasks in order to meet her goal. In one scenario, she learns that she will receive $25 for each task successfully completed for a maximum payment of $200. Now imagine a scenario where she is given a $200 at the outset then learns that $25 will be deducted for each task which is *not* successfully completed. Under both incentive structures, the goal target is identical (completing the set of tasks) and the incentive is the same ($25 per task successfully completed). Building on the research on loss aversion in the formation of preferences (Kahneman et al., 1991), we posit that motivation to perform a set of tasks will be enhanced when task accomplishment allows one to avoid incremental losses in relation to when the same value framed in terms of incremental gains.

We further examine whether people's predictions of which monetary payment structure would be more motivating diverge from their real time persistence and performance. Specifically, while the real time motivation reflects the affective experience (e.g., the predicted pain or pleasure from the gain/loss of the external incentive), people's prospective evaluations are often based on general beliefs or intuitions. Therefore, we hypothesize that when making predictions about how motivating an incentive

would be individuals may overweight how *enjoyable* it would be to work on the task in one scenario versus the other based on a belief that enjoyment and motivation positively correlate, rather than considering the effectiveness of the incentive at motivating persistence.

These hypotheses were tested in a series of eight studies. The first two studies tested real time persistence and performance on challenging tasks, when incentives were framed in terms of gains or losses from a reference point. In the first study, participants were given a task to complete which involved unscrambling six anagrams, two of which were unsolvable. Time spent persisting at these unsolvable anagrams was used to measure motivation. Participants were either told that they would receive $0.25 per correct answer or they were given $1.50 at the outset and told that they would lose $0.25 per incorrect answer. Consistent with our predictions, people persisted longer when their incentive was framed in terms of losses. As Study 1 did not allow performance to vary with effort, Study 2 involved a task where increased effort was reflected in performance. In line with our predictions, performance was enhanced when the incentive was framed in terms of losses.

In order to test the participants' intuitions about the effect of incentive framing on motivation, we conducted prediction studies designed to parallel to our real time studies. Across different study designs (within vs. between participants), dollar amounts ($200 vs. $1.50) and tasks (anagram task vs. doctor's visits) people consistently and incorrectly predicted that the gain-framed incentive would be more motivating.

We next sought to test the underlying mechanism for this divergence, assessing if an overweighting of predicted enjoyment contributes to this discrepancy. Our results supported this. We presented participants with descriptions of both gain and loss framed incentives and asked them to indicate which would be more enjoyable to work towards ("no difference" was also an option). Participants believed it would be more enjoyable to work towards an incentive framed in terms of gains (Study 5) and believed that incentives which are more enjoyable to work towards were more motivating (Study 6). To test for the belief in a positive correlation between motivation and enjoyment, we presented participants with either an incentive framed in terms of gains or one which is framed in terms of losses and had them rate both how enjoyable and how motivating the incentive would be (Study 7), finding that predicted enjoyment and motivation did significantly positively correlate.

Having demonstrated this prediction/experience disparity and identified an overweighting of predicted enjoyment as one driver, we lastly sought to empirically test for de-biasing manipulations to bring predictions more in line with real time task persistence. We find that forcing participants to briefly work on difficult anagrams prior to making their predictions improved their predictions significantly. Relative to a control they were significantly more likely to indicate that loss framed incentive would be more motivating (Study 8).

This research achieves several goals: we extend what is currently known about how the framing of an external reward affects the motivation towards a goal which requires completing several challenging tasks. Further, we show that people erroneously predict the opposite would happen, based on beliefs about the relationship between motivation and enjoyment. We believe our findings are of particular importance to researchers who study consumer goals, as extrinsic incentives are often utilized to motivate consumer behavior however our understanding of their implications is limited. Future research explores additional prediction/experience discrepancies in motivation (e.g., people predict a small monetary award for oneself would be more motivating than the same amount for charity but in experience the reverse is the case).

### "Together and Apart: What Makes Choice Alternatives Compete Versus Complement"
*Ying Zhang, University of Chicago*
*Ayelet Fishbach, University of Chicago*

When browsing through a restaurant menu, how does the presence of fatty, yet tasty, courses influence the value of healthy menu items, or vice versa? In this research we propose that, when both goal- and temptation-related items are present, the value of these options will be influenced by the format of presentation as together in a unified choice set, or apart in two different choice sets sorted by the underlying goals. These presentation formats activate the corresponding dynamic of either balancing between goals and temptations or highlighting the high-order goal, which in turn influence value and choice.

Specifically, when goal- and temptation-related options are presented together in a unified choice set, they appear to complement each other, which justifies balancing between the options and increases the immediate value of temptations. For example, presenting tasty (yet unhealthy) candies and healthy fruits in the same plate elicits a sense that they complement each other and it is justified to consume temptation now and balance later. Consequently, the immediate value of candies increases, compared with fruits.

However, when choice alternatives are presented apart in two separate sets sorted by the underlying goals, they appear to compete with each other, which motivates highlighting the high-order goal and fosters a positive evaluation of goal-related options. For example, when candies and fruits are served in two separate plates, they appear to be in competition. This presentation format highlights the fact that fruits represent a more important goal and consequently the immediate value of fruits increases relative to candies.

To summarize, we expect that when goal- and temptation-related options are presented in a unified choice set, the plan to balance causes an increase in the value of tempting (vs. goal-related) alternatives and an immediate preference for temptations. Conversely, when goal- and temptation-related alternatives are presented in two choice sets organized by the underlying goal, people are motivated to highlight goal pursuits, and evaluate goal-related (vs. tempting) alternatives more positively.

Four studies tested this general hypothesis. The first study presented images of goal-related items (e.g., vegetables) and tempting items (e.g., burger) either together in one image ("together" condition), or in two separate images arranged next to each other ("apart" condition). Participants rated the extent to which each of the featured items was appealing. We found that when the items were presented together in one picture, participants rated the goal-related items to be less appealing than the tempting items, but when the items were presented apart in two separate images next to each other, they rated the goal-related item to be more appealing than the tempting items.

Our next study extended Study 1 by using menu courses with verbal descriptions to ensure that the items were understood the same across conditions. Participants in the "apart" condition received two restaurant menus: one contained exclusively healthy courses (healthy menu), and the other exclusively unhealthy courses (unhealthy menu). In contrast, those in the "together" condition received a menu that contained all courses from the healthy and unhealthy menus, and the order was mixed (mixed menu). Participants in the control condition received either the healthy or unhealthy menu. All courses in the menus were followed by a short description. For the dependent measure participants rated the appeal of each of the courses. We found that participants in the control

condition perceived the healthy and unhealthy courses as equally appealing. However, when the healthy and the unhealthy courses were presented apart in two separate menus, participants rated the healthy courses as more appealing than the unhealthy courses, but rated the unhealthy courses to be more appealing than the healthy ones when they were presented together in one mixed menu.

Our third study tested whether people indeed perceived the options to be complementing and planned to balance in the future when they were presented together, but perceived the same options to be competing and chose to highlight when presented apart. In this study participants were asked to hypothetically choose two magazines: one for immediate reading, the other for later. The options included equal number of high-brow (e.g., TIME, Newsweek) and low-brow magazines (e.g., Vogue, SI). We gave participants in the "together" condition one list that included all magazines in mixed order, and gave participants in the "apart" condition two separate lists, each containing only one type of magazines (high or low-brow). We found that presenting the options together (vs. apart) reduces an immediate choice of high-brow magazines but did not affect the subsequent intention to choose a high-brow magazine. In addition, participants were more likely to switch from a low-brow to a high-brow magazine when the options were presented together than when they were presented apart. The same pattern was found with menu courses.

Our final study tested whether these evaluations and plans influence people's actual choices. Participants, after a filler task, were asked to make a choice between a chocolate bar and baby carrots. In the *together* condition, the chocolate bars and carrot bags were scrambled together in one plate; in the *apart* condition, the two options were put in separate plates placed next to each other. We found that participants chose more chocolate bars when the options were presented together (vs. apart). Further analyses indicated that participants' dieting orientation predicted their choice when the options were presented apart from each other but not when these options were presented together.

In summary, in this research we found that when choice alternatives pertaining to goals and temptations appear together in a unified choice set, they seem to complement each other and prompt a self-regulatory dynamic of balancing. The result is that people assign greater value to temptation-related (vs. goal-related) options, and are more likely to choose them. However, when the same choice alternatives are presented apart from each other in two separate choice sets sorted by the goals they serve respectively, the options seem to compete against each other and prompt a self-regulatory dynamic of highlighting the more important goal. As a result, people evaluate goal-related (vs. temptation-related) more positively and are more likely to choose them.

### "Smelling Your Way to Satiety: Impact of Odor Satiation on Subsequent Consumption Related Behaviors"

*Stephen M. Nowlis, Arizona State University*
*Baba Shiv, Stanford Universtiy*
*Monica Wadhwa, Stanford University*

Imagine reading a book sitting in the Barnes and Nobles book store with the odor of freshly baked cookies wafting from the café inside the store. Would the odor of these freshly baked cookies enhance or reduce your subsequent consumption of food and beverage? Common intuition would suggest that the appetitive odor of cookies is likely to increase subsequent consumption of food. In line with the common intuition, marketers are increasingly encouraging the use of food related olfactory cues in restaurants and hotels to enhance their sales.

On the contrary, is it possible that being exposed to food odors will reduce subsequent consumption of food? An emerging body of work on sensory satiety seems to point to this possibility. Specifically, research in the domain of sensory satiety suggests that the sense of satiety is not only influenced by the macronutrient properties of the food (i.e., energy consumed in the process of eating food), but also by other sensory properties of the food such as the odor of food (Rolls 1989, 2005). Thus, according to this notion that we will refer to as "odor-satiety," it is likely that just being exposed to the odor of food for a long duration could reduce subsequent consumption of food.

In sum, the implications for odor-induced consumption behaviors arising from odor-satiety clearly contradict those arising from common intuition that seems to be reflected in the growing practice of using odors to stimulate consumers' appetites. A broad goal of this research, therefore, is to examine which of the two contradictory predictions would receive empirical support in the context of odor-induced consumption behaviors.

To test the aforementioned hypothesis, in study 1, we randomly assigned participants to either an odor- present or odor-absent conditions. To disguise the purpose of the study, participants were informed that they would watch a documentary, purportedly as part of a study conducted for TiVo. Participants were further told that as compensation for taking part in the study, they would be provided with food. In both the odor-present and the odor-absent conditions, participants watched the documentary for 12-minutes. In the odor-present-condition, the room was filled with the odor of popcorn. Following the purported study for TiVo, participants responded to mood and fatigue measures. Thereafter, participants left the first room and proceeded to another room, one person at a time. On reaching the second room, where food items were on display, each participant indicated his/her choice of food and drink on a checklist that contained the five displayed food items (chips, cookies, M&Ms, popcorn and pretzels). Food choices formed the main dependent variable in this study. The results of study 1 seem to support the odor satiety effect. Specifically, being exposed to an appetitive food odor led to a decrease in subsequent consumption behaviors related not only to the cued food item but food in general. No differences in mood and fatigue level were found across conditions.

Our second study aimed to achieve the following three objectives. Our first objective was to examine whether exposure to a food odor can have broader cross-modal effects wherein the effects extend to beverage items as well. Another objective of study 2 was to examine whether the diminished effects on consumption are mediated by a loss of appetite (i.e., wanting) for food and beverage or by a diminished liking for food and beverage. Finally, study 2 examines the odor-satiation effects documented in study 1 extend to non food related odors as well.

The basic procedure of study 2 was similar to that used in study 1. In study 2, however, we included a non-food odor condition. As in study-1, participants in all the conditions watched a movie in a room infused with either the odor of popcorn (food-odor condition), lavender (non-food odor condition) or no-odor (control condition). Participants subsequently indicated on 11-point (*not at all*/*very much*) scales their urge to drink and urge to eat. Thereafter, participants were ushered to another room with various food and beverage items on display. Participants chose the food item(s) and the size of the drink item(s) s/he desired to consume in the next room, while working on the remaining part of the study. Subsequent to making the food and drink choices, participants moved to the adjoining room, where they rated their liking for various utilitarian and hedonic products.

The findings of study 2 suggest that odor satiety effects are not restricted to appetitive food odors. Specifically, these findings suggest that not only exposure to appetitive food oders, but expo-

sure to appetitive non-food odors can also lead to a decrease in subsequent consumption behaviors related to food. Moreover, study 2 results indicate that odor satiety leads to a broader cross-modal effects, such that participants in the appetitive food and non-food oder conditions, as compared to the control condition, showed reduced behavioral tendencies toward not only food but also beverage items. Interestingly, our findings also show that there were no differences in the urge to drink and eat across conditions. In other words, these results seem to suggest that the documented odor satiety effects are engendered through an impact on the anticipated hedonic value (liking) of the food and beverage items and not through an impact on the appetitive value (wanting) for the food and beverage items. Thought not predicted, another interesting finding was that while odor satiety reduces consumption behaviors related to food and drink, it actually enhances liking for the utilitarian items.

Taken together, our findings provide support for the odor satiety effect at a cross-modal level, whereby exposure to food odors on one hand reduced subsequent consumption of food and drink, while on the other hand it enhanced a liking for utilitarian items. Our findings have important implications for the use of odors to promote the sale of products especially those in the food and beverage category. In a third study that is currently in progress, we are attempting to 1) better elucidate the impact of odor satiety on liking versus wanting for the food and non-food consumer items and 2) examine the impact of odor satiety on impulsive behaviors.

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# There is a Time and Place and a Person to Vote for: Issues in Political Persuasion

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## SESSION OVERVIEW

The general topic of voter persuasion and voting behavior has historically attracted academic attention in several disciplines including journalism, political science, economics (specifically, public choice), and, more recently, psychology. But, with a few notable exceptions (e.g., Ahluwalia 2000, Klein and Ahluwalia 2005), the field of consumer behavior has largely been silent about political persuasion. This gap in our literature needs to be corrected for three fairly obvious reasons. *First,* based on the sheer volume of money spent on political campaigns, the Marketing of political candidates is an important economic activity.[1] *Second,* the field of consumer behavior has a unique intellectual basis from which to address the issue of political persuasion and choice. *Third*, studying consumers' choice of political candidate is arguably at least as important as studying which brand of carbonated soft drink they prefer or purchase. Therefore, in this special session, we bring together three papers that examine the factors that influence message persuasiveness, as well as voter choice.

In the first paper, Hedgcock, Rao and Chen examine whether the "attraction effect" can be employed to study three-person races. In particular, drawing from a recent episode in U. S. electoral history, they ask whether the *entry and exit* of a "decoy" (such as Ralph Nader) would have benefited a "target" (such as Al Gore) more so than if the decoy had never entered the race. That is, does a "phantom decoy" that is no longer available for selection still benefit the most similar of the remaining alternatives. Using a variety of stimuli, the authors report on three completed studies that show how the entry and exit of a decoy does in fact benefit the target. Further, they provide evidence for a process that explains the results.

In the second paper, Berger, Meredith and Wheeler report on two completed studies that underline the importance of situational cues in voting decisions. In light of the ubiquity of churches and schools as voting locations, their field and experimental findings that voters might support initiatives consistent with the mission of the polling place are noteworthy.

In the final paper, Kim, Rao and Lee report on three completed studies that consider temporal distance, message type, and audience properties on persuasion. Their premise is that swing voters are more likely to determine the eventual outcome of most elections, and these swing voters tend to be relatively "uninvolved" and "uninformed". It is these voters who are more persuaded by abstract messages when the choice is in the distant relative to the near future. Conversely, concrete messages are more persuasive when decisions are temporally proximal.

The objectives of our session are two-fold. *First*, each of the papers offers a theoretical advance on a consumer behavior issue. Hedgcock et al. provide evidence of the process underlying the attraction effect, Berger et al. demonstrate the impact of subtle environmental cues on malleable consumer preferences, and Kim and Rao successfully marry construal level theory with persuasion. *Second*, we bridge conceptual (BDT, psychology) and substantive (Consumer Behavior and Political Persuasion) perspectives in this session.

The importance of public choice as an area of study for consumer behavior scholars can not be overemphasized. Theoretically, voting behavior is an interesting topic of inquiry because it is infrequent but predictable, and requires a choice that *a priori* likely has little impact on the eventual outcome. Substantively, voting is critical to the functioning of our democracy and civil society. This topic therefore appeals to a broad array of scholars ranging from cognitive and social psychologists to those trained in the BDT tradition who are interested in processes underlying choice, as well as public policy oriented researchers who are interested in political choice as a phenomenon of interest in its own right.

## EXTENDED ABSTRACTS

### "Could Ralph Nader's Exit Have Helped Al Gore? The Impact of Decoy Entry and Exit on Consumer Choice"

*William Hedgcock, University of Minnesota*
*Akshay Rao, University of Minnesota and Hong Kong University of Science & Technology*
*Haipeng (Allan) Chen, Texas A & M University*

Individuals are frequently faced with making a new choice decision after a preferred option becomes unavailable. A preferred political candidate may lose in a primary, or a preferred vacation alternative may be sold out. Similarly, in software markets that feature "vaporware" (pre-announced but unavailable computer software), in the case of sold-out movies and shows, in the selection of dating partners or employees and jobs, in department stores where advertised items may be out-of-stock, in the case of pre-announced automobiles, and in the purchase of real estate, preferred options often either become unavailable or emerge during the choice process (Wedell and Pettibone 1996).

Prior research in marketing on the "attraction effect" has demonstrated how the *introduction* of an option into a choice set changes the choice shares of existing options, such that the share of an existing option *increases* following the introduction of a similar (generally dominated) option (Huber, Payne and Puto 1982). We examine the related but heretofore unaddressed issue of whether the *exit* of an option from a choice set returns the choice shares of the original options to the *status quo ante*.

In the first study, we examine support for our foundational prediction, that exposure to a selectable decoy influences choice shares even after the decoy becomes unavailable. The study was motivated by the speculation that Ralph Nader's entry and exit might have helped Al Gore more than if Nader had never entered the race. Therefore, in the first study we examine choices among unidentified political candidates. We observe that when an option ("the decoy") turns out to be unselectable following a decision problem in which it was selectable, the choice shares of the remaining options are predictably different, such that more people pick the target and fewer people pick the competitor, relative to a setting in which the option was unselectable to start with. That is, we observe an attraction effect even after a decoy has disappeared from the choice set.

Based on a review of the literature, we examine three potential explanations for this attraction effect. First, the initial availability of the decoy may increase the weight assigned to the attribute on

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which the decoy excels, by increasing the frequency of options that score high on that attribute. Following a choice process that considers this increased weight, a subsequent choice process after the decoy turns out to not be available may still emphasize that attribute and therefore yield an attraction effect. Second, the consideration of the decoy in the initial choice stage may change the value of the two focal options by shifting the reference point against which the target and the rival will be evaluated. A decoy located closer to the target may shift the reference point towards the target, as a result of which the target becomes less of a loss on one attribute and more of a gain on the other attribute. Due to loss aversion, the target may become more attractive relative to the rival due to the shift of the reference point. Finally, the unavailability of the decoy might make a similar target appear more attractive, as people may pick among the remaining options based on how similar they are to the decoy.

To examine the various explanations for the observed attraction effect, in a second experiment we directly measure the weight shift, value shift and similarity heuristic based explanations. The approach we employed was similar to Study I, except the stimuli we used described unidentified brands of beer. We chose this product stimulus because it is relatively familiar to student subjects, and we were interested in assessing the process that underlies our phenomenon, an assessment that was likely to be easier for familiar products. Our results indicate that the attraction effect is mediated by weight shift and use of a similarity heuristic, but not by value shift. In the last study, we replicate the basic finding in five different setting. In addition, we measure the response time that is associated with different choices under different experimental conditions, in an effort to shed further light on the cognitive processes underlying this effect. This study was conducted on personal computers utilizing response time tracking technology (E-Prime[R]). In addition to finding support for the basic prediction, we also observe that the consideration of the additional option in the initial decision changes the speed of decision making in the subsequent decision, in a manner that is consistent with weight shift and the use of a similarity heuristic.

### "Can Where People Vote Influence How They Vote? The Influence of Polling Location Type on Voting Behavior"
*Jonah Berger, Stanford University*
*Marc Meredith, Stanford University*
*Christian Wheeler, Stanford University*

Voting decisions are some of the most important choices people make. They influence how money is spent, whether certain acts (e.g., gay marriage) are legal or illegal, and even whether or not the country is at war. Although many factors can influence voting preferences, political scientists have generally not studied influences on voting that operate after voters reach the polling place. That is, most research either implicitly or explicitly assumes that voters have stable voting intentions that are subsequently converted into a vote. Research on environmental cues, however, suggests that the cues prevalent in different environments can have significant effects on judgments and behavior. Building on such work, this paper examines the intriguing possibility that where people are assigned to vote (e.g. a firehouse, church, school, etc.) can influence how they vote. Supporting this proposition, we use precinct-level data from Arizona's 2000 general election and find that voting in schools increases the support for school spending initiatives.

Environmental cues prevalent at differing polling locations differ in systematic ways, and we argue these differences can influence voting outcomes. Research has shown that features of the environment can automatically activate associated representations in memory and affect behavior without the actor's intention or awareness (e.g., Bargh, Chen, & Burrows 1996). For example, exposure to business-related objects such as briefcases can make individuals act more competitively (Kay, Wheeler, Bargh, & Ross, 2004), exposure to stereotypes can make individuals feel and act like members of the stereotyped group (DeMarree, Wheeler, & Petty, 2005), and exposure to normative environments (e.g., libraries) can make people act in accordance with associated norms (e.g., speaking quietly; Aarts & Dijksterhuis, 2003). Based upon such research, we predicted that exposure to a school environment could increase activation of school-related norms, identity aspects, and stereotypes, which could then influence actual votes toward education-related initiatives (e.g., to increase school spending).

Using data from Arizona's 2000 presidential election, we found support for the notion that environmental factors can influence voting behavior. We collected precinct-level voting results, polling location data, and demographic data from all Arizona precincts, and focused on a ballot initiative that proposed raising the state sales tax to fund additional school spending. We used a Goodman regression framework and controlled for political views using votes for president and 13 other initiatives. Using this model specification, we found that those who were assigned to vote in schools were more likely to support the initiative to increase school spending. We also used a number of control group specifications to ensure the robustness of our results. The most stringent control group addressed possible non-random placement of voters into polling locations (e.g. people with children are more likely to live near and hence vote at schools) by comparing those who lived near schools and were assigned to vote at schools vs. those who lived near schools and were assigned to vote in a different location. We used 9-digit zip codes to identify polling locations near schools, thereby constructing two groups of voters who were similar in all characteristics (e.g. age, income, number of kids) except where they are assigned to vote. Our estimates show that using this quasi-experimental design, Arizonians who voted in schools were still significantly more likely to vote in favor of increasing the sales tax. These findings were generally robust across the several additional control group specifications we utilized.

In a follow-up experiment, we manipulated environmental cues by randomly assigning participants to view pictures of schools, churches (the other most common polling location), or generic buildings. Then, ostensibly as part of another experiment, participants indicated their voting preference on a number of initiatives, including the Arizona education initiative used in our field study. Results indicated that exposure to the school images increased support for the education initiative. Additional analyses showed that the effect of the images was larger among non-parents and among those opposed to taxes. Specifically, parents and those with favorable attitudes were likely to support the initiative regardless of which images they viewed. However, non-parents and those with negative attitudes toward taxes were more likely to support the initiative after viewing pictures of the schools. Hence, the effect of environmental cues on voting was strongest among those not already predisposed to favor the initiative.

This work highlights the fact that many voters may lack strong and stable intentions that guide their behavior and has implications for voting policy decisions. More broadly, this research illustrates the importance of simple environmental cues in directing behavior, even highly consequential behavior that occurs in "noisy" real-world environments.

### "It's Time to Vote: Fit Between Construal Level and Temporal Distance on Political Persuasion"

*Hakkyun Kim, University of Minnesota*
*Akshay Rao, University of Minnesota*
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With the increased penetration of cable television, talk radio and weblogs (popularly referred to as "blogs"), the coverage of political topics and campaigns now appears to be ubiquitous and incessant. This expansion of media outlets and the accompanying increase in media coverage has had a predictable effect on political expenditures as well. For instance, the most expensive Senate race in 2002 was in North Carolina, where the candidates spent a little over $27 million (roughly $3.20 per resident), whereas in 2004 over $37 million was spent by the candidates (about $525 per resident) in that year's most expensive Senate race (Daschle vs. Thune in South Dakota). When all the data come in, the figure for the 2006 mid-term elections is expected to reach $2.6 billion (Mooney 2006). Most of these campaign expenditures are incurred on marketing activities such as advertising and "get out the vote" efforts. These Marketing activities are designed to persuade undecided voters and assure the turnout of voters who are favorably inclined towards the candidate.

In political campaigns (as well as in several other Marketing communication settings), candidates communicate with voters for a long period of time before the actual choice decision. *What* these candidates say and to *whom* as well as *how* they say it, is likely critical to their success. Partisans (who are relatively brand loyal) are asked for money, time, and effort, while swing voters (who are not brand loyal) are asked for electoral support on Election Day. We draw from temporal construal theory to predict that the degree of abstraction ("why" laden appeals) versus concreteness ("how" laden appeals) of the message is differentially persuasive depending on the temporal proximity of the choice.

In a first study we empirically observe support for this foundational prediction. Stimuli featured an androgynous political candidate for U. S. Senate (Pat Darvell). Messages emphasizing high-level goals were more effective when the respondent expected to act in the distant future (action was needed six months from the present), whereas political messages focusing on low-level actions were more effective when the respondent expected to act in the immediate future (action was needed next week).

Two follow-up studies were conducted. In the first follow-up study, rather than manipulate temporal construal, we measured subjects' chronic construal level. And, in the second follow-up study, rather than manipulate temporal distance to the decision (as in the very first study), we asked subjects to imagine that they would need to vote using an absentee ballot either next week or a few months from now. These methodological variations were introduced to expand the scope of operationalizations of the focal construct. In the first of the follow-up studies we observe the effect to be strongest for subjects who were uninvolved. In the last study, we observe the effect to be strongest for subjects who were uninformed. Apparently, unlike politically involved and savvy subjects, uninvolved and uninformed subjects were more likely to be persuaded by peripheral cues.

The argument that the fit between temporal distance and message type is relevant to the persuasiveness of the message is a novel insight. Further, we observed the effect when temporal distance was manipulated (studies 1 and 3) and when the respondent's chronic tendency to represent events in either an abstract or concrete manner varied naturally (study 2). These results provide convergent evidence that it is the match between the message content and the *underlying* mental representation that yields the

effect on persuasion. Finally, that the construal fit effect is contingent on involvement is generally consistent with the finding that involvement moderates regulatory fit effects (Wang and Lee 2006). The finding that expertise plays a similar role is also noteworthy, particularly from a pragmatic perspective, since political campaigns appear to be focused on "swing" voters who are deemed to be either uninterested, uninvolved, or uninformed (Rao 2007).

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# From Tools to Theories: How Different Methodologies May Impact Theory Development in Brand Relationship Research

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## SESSION OVERVIEW

The topic of brand loyalty and brand relationship has been explored extensively in the consumer behavior literature for a number of years, and continues to be a vital research area in consumer behavior. Much of this work has concentrated on theory development regarding the nature of the brand-consumer relationship (e.g. Aaker, 1997, Kressman, et. al., 2006, Yoon, 2006). Crucial to furtherance of this understanding is the development of reliable and valid methods for assessing the relationship of consumer to brand. As suggested by Gigerenzer (1991), the emergence of cognitive theories is strongly influenced by the research tools available to theorist. In essence, different methodologies lead to different theories. Over the past twenty years the field of consumer behavior has witnessed an astounding proliferation of data collection and analytical methodologies, and it is certainly difficult to argue *against* the assertion that this proliferation has influenced the course of theory development. Presumably, it is this proliferation of both methodologies and theories that makes the theme of the conference, *building bridges,* so appropriate.

In this spirit, this session intends to present several methodological approaches to brand relationships with the overall objective of exploring the impact these different approaches may have on theory development. The session includes 1) research that utilizes depth interviews and structural equation modeling to develop a consumer brand-identification scale; 2) a set of studies that leverage qualitative depth interviews to develop a structural equation model of brand love, and 3) a videographic exploration of consumer-brand relationship that seeks to provide insight as to the influence of functional and emotional elements of brand relationships. While each paper is of course interesting in its own right, the key contribution of this symposium is the opportunity to present and discuss these different methodological approaches in light of their likely influence on theory development in the area of brand loyalty in a single session.

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## EXTENDED ABSTRACTS

### "Antecedents and Consequences of Consumer-Brand Identification: Theory and Empirical Test"

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A key to the formation of strong relationships between consumers and brands is the concept of *identification*, i.e., a consumer's sense of oneness with a brand. This concept has a long history psychology and has been studied heavily in organization science; more recently, it has received the attention of academic researchers in the branding area (e.g., Bhattacharya and Sen 2003; Fournier 1998). It has been proposed that consumers identify with brands for cognitive as well as emotional reasons, and as in the work of Bhattacharya and Sen (2003), several different factors have been suggested as being conducive to consumer-brand identification (CBI).

Although the conceptual aspects of brand identification have received a fair amount of attention from academic researchers, empirical work in this area seems to have lagged behind. Scholars have proposed and tested scales for social identity and organizational identification (e.g., Mael and Ashforth 1992; Bergami and Bagozzi 2000), but such work does not address some of the unique aspects of the ties that potentially bind consumers to brands. Most fundamentally, brands are things we *consume*–thereby implicating the consumption experience itself as being integral to why we identify strongly with some brands and not others. Thus, for example, the affective traces left in memory by a certain brand consumption experience, or the social context in which a brand is consumed, can be among the factors leading to CBI. Further, as proposed in our conceptual model, variables such as product category involvement and product category symbolism are likely to moderate the impact of some of the influences conducive to consumer brand identification. Obviously, the aforementioned types of factors are quite unique to the consumption context and thus need to be taken into account in research on CBI.

Therefore, in the present research the construct of consumer-brand identification (CBI) is investigated in conceptual and empirical terms with two principal research objectives. The first objective is to develop a parsimonious scale for CBI with appropriate psychometric properties, including convergent and discriminant validity. The second and more important objective is to propose and test a model of the antecedents and consequences of CBI, including key moderating variables.

Our conceptual model for CBI is based on a synthesis of prior work in consumer behavior, organizational behavior, social psychology, and marketing. In regard to the empirical part of the project, we went through a multi-stage process. First, after gaining insights from an extensive literature review, initial item development was accomplished with the help of qualitative in-depth interviews and a test of a preliminary item pool. We then proceeded to conduct two main studies with the intent of further scale purification and nomological validation via a test of the overall antecedents/consequences model. The first study was carried out with a

Web-based survey administered to a panel of almost 800 German consumers and involved four product categories (athletic shoes, mobile phones, soft drinks, and grocery stores). Sample demographics were fairly representative of the German population (average age 40.6 years, 47% females). The second study was conducted with a Web-based survey of around 400 U. S. college students and involved two product categories (athletic shoes and soft drinks).

The results from several analyses of these data sets show that our CBI scale has satisfactory psychometric properties. In addition, the results from confirmatory factor analyses and structural equation modeling methods provide support for the hypothesized relationships between CBI and its antecedents/consequences. Importantly, we also find a great deal of consistency in the results across the two studies. In brief, CBI is influenced mainly by brand-self personality similarity, brand distinctiveness, brand prestige, the brand's social facilitation, brand warmth, and memorable brand experiences. Further, several of these relationships are moderated by product category involvement and product category symbolism. On the downstream side, CBI is found to explain a significant amount of variance in both brand loyalty and brand advocacy.

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### "Brand Love: Towards an Integrative Model"
*Aaron Ahuvia, University of Michigan, Dearborn*
*Rajeev Batra, University of Michigan*
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Consumers' love of products and brands has become an increasingly popular research topic (e.g. Ahuvia 1993, 2005; Albert, Boyer, Mathews-Lefebvre, Merunka and Valette-Florence 2007; Carroll and Ahuvia 2006; Fournier 1998; Fournier and Mick 1999; Ji 2002; Kamat and Parulekar 2007; Keh, Pang and Peng 2007; Strahilevitz 2007; Thomson, MacInnis and Park 2005; Whang, Allen, Sahoury and Zhang 2004; Yeung and Wyer 2005). Love in consumption has also been drawing increased attention among practitioners (e.g. Roberts 2004). To see why love is relevant to marketing and consumer research, one need only think about the role it plays in relationships. Whether we are looking at romantic love or familial love, love is a powerful psychological process that brings and holds people together. For marketers who want consumers to be attracted to, and loyal to their products, love of products and brands is a topic of clear relevance.

Despite its growing popularity, consumer research on love is still in its infancy and much of the work centers around the basic question of what love is when applied to products and brands. Shimp and Madden (1998) adapted Sternberg's theory of love to

consumer behavior, and suggested that love in consumption was made up of three dimensions (see also Keh, Tat and Peng 2007); Kamat and Parulekar (2007) started out with Shimp and Madden's three dimensional model, but ended up with five somewhat different dimensions; building on Lee's (1988) research on interpersonal love styles, Whang, Sahoury and Zhang (2004) developed a three factor model; Carroll and Ahuvia (2006) developed a Brand Love scale with five dimensions; and finally Albert et al (2007) found a still different set of 7 dimensions. Thus we can see that past consumer research on love offers at least two dozen different dimensions that may, or may not, be part of love in consumption. To move forward on this important topic, we need more clarity about what the various aspects of love–in consumer behavior–are, and how they fit together. The extensive research literature on interpersonal love is one good place to start. However, Yoon and Gutchess (2006) have found that consumer-product relationships are processed in a different part of the brain from interpersonal relationships. This suggests the need for caution in assuming the direct transferability of interpersonal love theories to explain consumer behavior. The common practice of borrowing constructs directly from the interpersonal love literature and developing measures for these constructs, prematurely limits the data collected to information derived from those constructs, and thus does not give unique nuances of love in consumer behavior a sufficient chance to emerge.

The current research combines qualitative interviews and structural equation modeling to produce a theory of brand love rooted in consumer experience. We begin by interviewing 70 adult consumers about what, if anything, they love aside from another person. These qualitative interviews are analyzed to produce a rich description of love in consumer behavior. Having attained a clearer understanding of love in consumer behavior, we then address the issue of discriminant validity and discuss the relationship between love and other, similar constructs. Study 2 uses the results of study 1 and other insights from the literature, to build a structural equations model of brand love, and test that model for both a "loved" and a "mundane" brand from the same product category. We conclude with a discussion of the theoretical and managerial implications of our findings.

### Study 1: The Components of Love

Data collection took place in two stages. Initially, 70 structured interviews were conducted. From these 70 respondents 10 subsequently participated in follow-up depth interviews. Respondents for the first stage of data collection were contacted through a snowball sampling procedure (Lincoln and Guba 1985). Although the search for respondents began with personal contacts, the actual respondents had not met the researchers prior to the research. Seventy people were contacted and all of them agreed to participate in the research. The respondents were evenly split by gender (36 male and 34 female), predominantly white (white 57, black 10, Hispanic 2, other 1), ranged from 23 to 45 years of age (M=32), and were generally well-educated (graduate school 38, college 27, high school 5). Quotes from respondents are identified by gender, occupation, and age; e.g. M, lawyer, 42. Ten respondents were selected from the large sample study for 2- to 4-hour home interviews. A purposive sampling design (Lincoln and Guba 1985) provided coverage of commonly mentioned love objects and redundancy on some of the most frequently mentioned items.

In the large sample study, confidential taped interviews were conducted over the phone and lasted from 10 minutes to one hour, averaging 20-30 minutes. Respondents were asked, 'if there is something aside from people with whom you have a close personal

relationship that you love–what is it?' Respondents were then asked a series of open ended follow-up questions to learn more about their relationship with each item. The interview continued until the respondent ceased to name new loved objects. For the depth interviews, a questionnaire was developed to test the major findings of the phone interviews against a richer, more detailed data set. In addition to discussing loved objects mentioned in the phone interviews, respondents also discussed objects toward which they had a neutral or mundane relationship and people they loved. This allowed for a comparison between loved and mundane objects and activities, and for a comparison of interpersonal and non-interpersonal love.

Study 1 provides a description of the major components of love in consumer behavior, drawn from the experience of consumers. When consumers were given an open ended opportunity to talk about products that they loved, their comments went well beyond a particular emotion and encompassed a much larger and more complex psychological system. The things consumers loved were overwhelmingly seen as excellent. The emotional experience associated with these items was generally very positive, heightening positive moods and soothing negative experiences. However, consumers also made significant investments of time and money in the things they loved, and sometimes this work involved frustration or other kinds of sacrifice that were not altogether positive. Through these encounters and active involvement with the things they loved, consumers developed a strong sense of attachment to them. This stemmed at times from long histories of involvement with the loved items, and implied a sense of loyalty and commitment to the item in the future. In some cases this attachment was understood through the metaphor of an interpersonal relationship, and the product was seen as a friend, companion, etc. But these relational metaphors were not seen by all respondents as being part of love.

Respondents sometimes reported an experience akin to love at first sight, where they knew immediately at some intuitive level that this item was right for them. This was consistent with the desire and attraction for the item expressed in many cases. Respondents talked about the loved item meeting a wide variety of needs (Ahuvia 1993), but in particular love was associated with items that met consumers' higher order needs for existential meaning and helped them enact and clarify their sense of identity. This tied into the fact that consumers tended to find the things they loved intrinsically rewarding, rather than being a means to a future end. Because the loved items were intrinsically rewarding (i.e. directly provided a rewarding experience), and because of the intuitive sense of "rightness" that respondents felt about many loved items, the respondents saw them as authentic parts of their identity.

Now that we have an understanding of love in consumer behavior that emerges out of the lived experiences of consumers, we can address the issue of how love differs from other consumer behavior constructs such as attitudes, involvement and satisfaction. When love is seen as a larger psychological system, these constructs are not rival but rather constituent parts. Love includes being involved with the item, being satisfied (at least) with the item, and having a positive attitude about the item. But love cannot be reduced to any one of these constructs.

## Study 2: Structural Equation Modeling of the Brand Love Construct

Our second study began with the findings from the qualitative work in which aspects of brand love were identified. On the basis of the qualitative work, we generated 140 items measuring the 16 aspects of brand love. These items were administered to 230 consumers, and exploratory factor analysis was used to identify a set of items, as the basis for testing construct and nomological validity.

A total of 85 items passed the exploratory factor analysis stage of analysis. Because so many measures for the 16 factors would generate too many parameters to be estimated for the sample size at hand under confirmatory factor analysis, we parcelled items based on the factor loadings from the exploratory factor analysis so as to generate two indicators (parcels) per factor.

Confirmatory factor analyses show that convergent and discriminant validity of indicators were achieved for four subdimensions of cognitive brand love (i.e., beliefs related to self-identity, long-term use, life meaning, final quality, looking/feeling like one wants to look/feel), four subdimensions of affective brand love (i.e., feelings related to fit, emotional connection, positive affect, negative affect), three dimensions of cognitive brand love (i.e., willingness to spend resources, desire to use, things done in past), overall attitude valence, attitude strength #1, attitude strength #2, and loyalty. Tests of hypotheses on the relationships among these dimensions support a brand cognitive→attitude→loyalty sequence of effects. That is, attitudes mediate the effects of cognitive/affective/conative aspects of brand love on loyalty.

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### "Head, Hand, Heart: A Videographic Exploration of Functional and Emotional Aspects of Brand Relationships"

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The topic of brand loyalty and consumer-brand relationship has received substantial attention in the literature for many years. A long and important debate in this literature revolves around the question of how functional and emotional aspects of brand relationship relate to brand loyalty (see, e.g., Kressman et al. 2006). Emotional aspects of brand relationship reflect the assertion that brands have a "personality" and that consumers' relationship to these brands are similar to their relationships to people (Aaker, 1997, Yoon, 2006). In this context brands may engage the ego or bolster the self-esteem of the consumer. In contrast, functional aspects of brand relationship are presumed to involve the concrete, utilitarian aspects of brand performance; brand loyalty is based on consumers' evaluation of these functional criteria. In addition, involvement has been identified as a key factor that affects brand loyalty, and that both low and high-involvement relationships merit consideration (see, e.g. Hoyer, 1984).

There is presently a substantial body of research has been developed that leverages ethnographic methodologies to examine brand loyalty (see e.g. Belk, 1988). The primary focus of much of this work is on "high-involvement" brand loyalty, usually centered on one product category and/or one group of consumers. However, initial depth interviews on the topic of brand loyalty suggest that the same consumer may have a variety of brand relationships that vary in terms of both functional/emotional aspects as well as involvement level. From a brand perspective, it also appears that while certain types of brands may lend themselves more naturally to certain types of brand relationships, the same brand may indeed have consumers that relate to that brand in either an emotional or functional way, and at varying levels of involvement.

The purpose of the present research is to further explore the possibility and extent to which consumers may have different relationships with different brands, and that brands may have different relationships with different consumers. Based on depth interviews of approximately 30 consumers, three classifications of brand loyalty have been developed: *heart loyalty* is high involved, emotionally-based brand loyalty; *head loyalty* is similarly high-involved, but is functional in nature; and *hand loyalty* is low-involved loyalty where consumers exhibit neither functional nor emotional connections to the brand but remain (behaviorally) loyal nonetheless.

The videographic portion of this research seeks further explore these three types of loyalty. One purpose of this work is to further understand the multi-faceted nature of brand loyalty at the individual level; for example, one respondent indicated a strong emotional identification with Apple Computers associated with self-reported brand loyalty. This same respondent also reported being loyal to Toyota automobiles; however, when probed, the revealed nature of this relationship appeared to be much more functional in nature. Finally, she also reported a (behavioral) loyalty to Kleenex tissues, but, when probed, did not appear to have any strong emotional or functional ties to the brand. In contrast, another respondent also loyal to Kleenex tissues appeared to have a far stronger emotional connection to the brand, and responded in an extremely positive fashion to the recent Kleenex "Let it Out" campaign that has a strong emotional appeal (http://youtube.com/watch?v=E5fZ-dnmExE). Hence, it appears that the same person can have different types of brand loyalty, and the same brand can also have different types of brand loyal consumers.

Another purpose of this research is to explore the relationships between attitudes and behavior as they relate to these three types of loyalty. Raymond (1976) classified the behavior-learning hierarchy into learn-do-feel, feel-do-learn, and do-learn-feel. These three classifications map naturally onto the head, heart, and hand classifications discussed above. The videography will be used to explore whether or not these mappings hold.

Finally, we are interested in exploring the nature of consumers' resistance to competing brand proposals in each of the loyalty states. If, for example, some consumers have a strong emotional commitment to a particular brand, we should expect them to be highly resistant to competing offers. In fact, if this type of relationship is truly ego-involved, we might expect them to experience something of a personal affront at the suggestion that another brand is superior to theirs. In contrast, head loyals, by virtue of their functional relationship, might be expected to be more responsive to propositions that reveal functional superiority of competing products. In depth interviews this outcome was observed when consumers were given competing brand offers; we attempt to examine this further in the videography.

We believe this research represents an important contribution to the area of brand relationships in that it 1) reveals further insights regarding the emotional and functional aspects of brand loyalty, 2) examines these relationships in light of consumer involvement level by leveraging the videographic methodology, and 3) begins to examine how a single consumer might exhibit different types of loyalty to different products and a single product might engender different types of loyalty in different consumers.

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SYMPOSIA SUMMARY
# The Social Nature of Consumer Behavior

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## SESSION OVERVIEW

In this session, we will discuss how and why the presence of others can affect consumption decisions, challenging a model in which consumer behavior is seen as a private activity (individuals making choices in isolation) by demonstrating the powerful and wide-ranging impact of social factors on a diverse array of consumption decisions and contexts, including both laboratory and field studies. The first three papers present evidence about three different ways in which social factors influence consumption: the presence of others and its effect on preference for feature-rich products (Thompson and Norton), the positive contamination effect from attractive others touching a product (Argo et al.), and the effect of the choice set provided by others (Goldstein et al.). In the fourth paper, Griskevicius et al. ground these findings in a framework which has thus far been overlooked in consumer behavior–evolutionary psychology–suggesting fundamental reasons for the impact of social influences on consumer behavior, an approach which provides new and interesting insights for future research. Finally, John Deighton, an expert in consumer privacy issues–in some sense the interesting flip side of the current symposium–will serve as discussant, integrating the presentations, as well as highlighting the contribution of these papers to the consumer behavior literature and their implications for marketing research and practice. This symposium should be of interest to researchers in the areas of persuasion, marketing communications, information processing, and consumer decision making, as well as serving to focus future research on the interesting differences between private and public consumer behavior.

## EXTENDED ABSTRACTS

### "The Social Utility of Feature Creep"
*Debora Viana Thompson, Georgetown University*
*Michael I. Norton, Harvard Business School*

A recent trend across several product categories is bundling a variety of product features into single, multi-purpose devices that perform several tasks. This trend towards offering a higher number of product features has been described as feature bloat or feature creep. Although adding features can indeed increase the value of a product to consumers, research shows that consumers tend to buy products with too many features, which after use do not maximize their satisfaction (Thompson, Hamilton, and Rust 2005). We investigate whether this seemingly suboptimal behavior may in fact serve a different–and at times more important–goal of obtaining social status. Specifically, we suggest that consumers may choose feature-rich options as a means of engaging in conspicuous consumption (Veblen, 1899) in order to impress their peers. This hypothesis requires two related phenomenon to be true: First, consumers should be more likely to choose feature-rich products when impression-management concerns are most salient (while preferences for basic products should be enhanced when privacy is highlighted), and second, individuals who choose high-feature products should be evaluated more favorably as a result of such conspicuous consumption.

In an initial study, participants were asked to evaluate two consumers, one who had purchased a product (either a cell phone or

a digital camera) with 30 features, and one who had purchased that product with 15 features. To control for inferences about wealth, participants were told that the two consumers had paid the same amount for the products. As we expected, participants ascribed more positive traits (e.g., intelligent, adventurous) to the consumer who bought a product with more features than to the consumer who bought the product with fewer features.

Next, in a series of four studies, we used several manipulations of impression management goals and measured product preference for products with varying number of features. In Study 2, we used a priming task to elicit either impression management or accuracy goals. After completing the priming task, participants were invited to participate in a survey about cell phones and digital cameras. Consistent with our prediction, participants primed with impression management goals were significantly more likely to select high feature products than participants primed with accuracy goals. In Study 3, we replicated this finding by manipulating product category, by choosing some products that were predominantly used in public (e.g., digital cameras and gas grills) and others used predominantly in private (hair dryers and treadmills). As expected, participants showed greater preference for high feature products for public products, such as digital cameras and gas grills, but this preference reversed for private products, where participants preferred options with fewer features. In fact, merely asking participants to think about using the same product (e.g. an espresso machine) in either private (making their morning coffee) or public (hosting a brunch) altered their preference for high- vs. low-feature versions of those products (Study 4). Finally, in Study 5 we used products whose consumption was perceived as balanced in terms of public and private usage situations (e.g., MP3 players) and varied the observability of participants' choices. As expected, preferences shifted significantly toward the high feature product in the public choice condition compared to the private choice condition. In addition, replicating results from study 1, participants perceived other participants who selected the high feature product as having significantly more positive traits than participants who selected the product with fewer features–and this was true even for participants who selected a low-feature option themselves.

Taken together, these results have interesting implications for theory and practice. First, these studies suggest that seemingly suboptimal behavior by consumers in isolation may in fact be rational if social concerns are taken into account. From a managerial standpoint, companies aiming at increasing or decreasing the share of feature-rich products can design marketing communications that heighten or attenuate impression management concerns (or, for example, designing channels with internet versus face-to-face sales). Additionally, adding features may have a positive effect on consumption that occurs in the presence of others. In public consumption situations, consumers may extract social utility (i.e., the possibility to signal positive personal traits to others) from the mere presence of product features; though when they leave that public setting and use that product at home, feature fatigue may begin to set in.

### "Positive Consumer Contamination: Responses to Attractive Others in a Retail Context"

*Jennifer J. Argo, University of Alberta*
*Darren W. Dahl, University of British Columbia*
*Andrea C. Morales, Arizona State University*

When it comes to physical touch in retail settings, consumers are faced with a paradox: they want to touch products because it helps them gather information and make better purchase decisions (Peck and Childers 2003) but they feel disgusted when other people touch the products they want to buy and view touched products as having been negatively contaminated (Argo, Dahl, and Morales 2006). Thus, consumers desire to touch products while shopping, but do not want others to do the same. But is this always the case? Are there situations where products touched by other individuals result in positive reactions? The central focus of this research is to determine when physical contact between a product and another individual creates positive outcomes for the consumer. Prior research along with current business practices, suggests that the beauty and attractiveness of other consumers may play an influential role in addressing our research question. Although the effectiveness of appeals that utilize themes of beauty and attraction on brand attitudes and purchase intentions has been mixed (e.g., Percy and Rossiter 1992), retail managers seem to believe strongly that beauty can be an extremely powerful persuasion tool. For example, Abercrombie & Fitch has been in the headlines for specifically trying to hire "young, attractive, athletic types, and the cheerleaders who might be their girlfriends" to work in their stores (Edwards 2003, p. 16).

Despite the prominence of the belief that beauty and attractiveness are important in the retail atmosphere, surprisingly little research has actually examined the impact that people who are high in attractiveness may have on consumers during a shopping experience. To date, most research has focused on the use of attractive models in advertising (e.g., Smeesters and Mandel 2006), but has neglected a possible role of attractiveness in the retail consumption experience itself. Thus, this research provides insight into the effects of an attractive social influence in the context of consumer touching and contamination of store products. Specifically, we investigate how consumers respond when they see other individuals of varying levels of attractiveness touching the same products they want to purchase.

Building on previous work in contamination that shows people have lower evaluations of products that are touched by other shoppers (Argo et al. 2006), this research proposes that consumer contamination can also have positive effects (e.g., raise product evaluations). This prediction is tested in an actual retail environment where a product is perceived to have been physically touched by another individual. In our investigation we examine both the attractiveness level of the individual and the role the individual plays in the shopping environment (i.e., shopper or salesperson) on consumer reactions. Further, we consider the moderating role that gender may have on consumer contamination by varying whether the other individual is a male or a female and whether this matches or mismatches the gender of the consumer. Finally, we investigate the process through which positive contamination operates to see whether it follows a residue model of contagion resulting from physical contact with the other individual (Morales and Fitzsimons 2007), or if instead it is the result of a symbolic interaction model based on the interpersonal/moral factors of the other individual (Nemeroff and Rozin 1994).

Three field experiments examined the impact of level of attractiveness, gender (of both the participant and the contaminator) and the contamination event. The first two studies found that male participants evaluated a product (i.e., a shirt) more favorably when they believed that a highly (versus average) attractive female shopper had previously touched the product while female participants' evaluations were equal regardless of the female shopper's level of attractiveness. Study 2 also found that the reverse was true when participants believed a male shopper had previously touched the product. Females evaluated the product significantly more favorably when a highly (versus average) attractive male shopper touched the product while male participants evaluated the product equally low regardless of the male shopper's level of attractiveness. Study 3 sought to identify which model of contagion explains the results while extending the contamination event to include a salesperson. The study demonstrated that the physical residue model best explains the results as participants evaluated a product significantly more favorably when a highly attractive salesperson had previously worn the product and had not cleaned it (versus cleaned). In contrast, when the product was previously worn by an average attractive salesperson, participants evaluated the product more favorably when the product was cleaned (versus not cleaned). The effects across all three studies are shown to be mediated by positive affect.

### "The Push Technique: Social Influence and Predecisional Bias Among Fluid Choice Sets"

*Noah J. Goldstein, University of Chicago*
*Vladas Griskevicius, Arizona State University*
*Robert B. Cialdini, Arizona State University*

Suppose that a car salesperson wants to get either Car A or Car B off the lot, but doesn't care which one sells next. Instead of showing all the cars on the lot to the next customer sequentially, what if he first paired Car A with Car B and asked the customer to form a preference for one over the other, only showing the customer Cars C, D, and E afterwards? We argue that the customer in such a situation would be disproportionately likely to choose the originally preferred car than if he had presented all of the alternatives sequentially to the customer.

Although consumers often make purchase decisions while considering a single choice set that contains all of the available alternatives, there are many instances in which they choose from a more expansive choice set after forming a preference from a more limited choice set. What effect will forming a preference for an alterative have on a consumer's final decision when the choice set is more fluid—that is, when it is expanded to include many other alternatives? Because the existing literature on predecisional biases is limited to static choice sets (see Brownstein 2003)— choice sets in which no new alternatives are added—the extant literature does not currently provide a clear answer.

Study 1 investigated whether consumers have a predecisional bias toward an initially preferred alternative such that they disproportionately choose that alternative when the final choice set is expanded to include several other, equally desirable alternatives. We also explored whether this novel type of predecisional bias might be moderated by consumers' knowledge or lack of knowledge that they will be able to choose from an additional set of alternatives later. In Study 1, participants were first asked to review two sets of CDs that were nearly identical to one another in terms of each participant's overall evaluation of the sets. Participants were asked to state which one of the two they prefer and then had an opportunity to choose from their preferred alternative and two new alternatives. The hypothesized bias toward the initially preferred alternative would be empirically found if participants tend to choose their initially preferred alternative among the other two alternatives at a rate statistically greater than chance—that is, at a

rate greater than 33.33% for a final choice set with three alternatives.

The data revealed that regardless of awareness condition, participants were disproportionately likely to choose the initially preferred alternative in the final expanded choice set, indicating that the predecisional bias effect does occur among fluid choice sets.

Study 2 examined the role of four potential mediating mechanisms of this bias by investigating the circumstances under which the bias exists and ceases to exist: First, individuals in such situations might be encouraged to use the heuristic of consistency (see Cialdini and Trost 1998). A second potential mechanism could be that when participants state their initial preference, they generate a set of reasons for that preference and then later rely on those reasons (e.g., Maio et al 2001). A third possible mechanism for this effect could be that when choosing among the final choice set, participants identify the originally preferred alternative and spontaneously generate reasons to support their original preference (see Kunda 1987). Such a thoughtful response likely necessitates the availability of sufficient cognitive resources during the final choice. A fourth possible mechanism could be cognitive dissonance (Festinger 1957).

In Study 2, we sought to uncover the mediating mechanisms of the effect by introducing a potential moderator of the effect: cognitive load. Using the experimental paradigm from Study 1, the introduction of a cognitive load manipulation occurred during the initial preference choice, during the final choice, during both choices, or during neither choice. Thus, the design was a 2 (First choice set: Load vs. No Load X 2 (Second choice set: Load vs. No Load) between participants design.

The results of Study 2 revealed that the bias failed to occur in the two conditions in which a cognitive load was induced during the final choice set, ruling out consistency, reason generation during the initial choice set, and cognitive dissonance as possible mediators—and pointing to the generation of reasons during the final choice set as the most likely mediator of the effect. These findings have implications for social influence strategies that can be utilized by influence agents to steer consumers toward particular alternatives as a function of how the alternatives are grouped and the sequence in which the alternatives are presented to consumers.

### "Fear and Loving in Las Vegas: Evolution, Emotion, and Persuasion"

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*Noah Goldstein, University of Chicago GSB*
*Chad Mortensen, Arizona State University*
*Jill Sundie, University of Houston*
*Robert Cialdini, Arizona State University*
*Douglas Kenrick, Arizona State University*

Imagine you're charged with the task of creating a television advertising campaign for a new product. Knowing that people typically don't process ads very deeply, you craft the message using proven persuasion tactics that are particularly effective when people make heuristic evaluations. After learning that the ad tests well in a focus group, you purchase airtime during two perennially top-rated television programs: a police crime drama and a sexy romantic comedy. But exactly how will these programs influence the way people respond to the ad? And will an ad featuring common persuasive heuristics be effective during both programs?

Several well-established theoretical models make predictions regarding how romantic or fear-inducing programs should influence the effectiveness of persuasive heuristics. A general *arousal model* predicts that any show eliciting some arousal will tend to inhibit deep processing and increase effectiveness of a diagnostic heuristics (Sonbonmatsu and Kardes 1988; Pham 1996). A general *affective-congruence model*, however, differentiates between positive and negative feelings, and predicts a different pattern for each show: Romantic comedies should produce positive feelings, leading to shallower processing and increased effectiveness of persuasive shortcuts. Police dramas, in contrast, should produce negative affect, leading to more careful processing and decreased effectiveness of persuasive heuristics (Schwarz and Bless 1991).

In this research we investigated another possibility grounded in an *evolutionary* approach—one that predicts a different pattern of results. This approach suggests that television programs—or any kind of visual, auditory, or other sensory stimuli that precedes an ad—can activate qualitatively different motives and particular associated emotions, which in turn promote perceptions, cognitions, and behaviors conducive to the successful fulfillment of the active motive. Unlike models of general arousal or affect, this approach maintains that depending on which motive is currently active, a target will be tactically receptive to some messages and ignore others, selectively interpret the same information in completely different ways, and even respond negatively to some well-established persuasive strategies.

In three experiments we tested the influence of emotion-arousing contexts on two types of commonly used persuasion heuristics: *Social proof* and *scarcity* (Cialdini 2001). Social proof heuristics are based on the general heuristic rule that if many others are doing it, it must be good; social proof appeals tend to convey that a product is a top seller or is particularly popular. Scarcity heuristics are based on the general rule that if a product or opportunity is rare, it must be good; scarcity appeals tend to highlight features related to the distinctiveness, rarity, and uniqueness of a product or an opportunity.

According to an evolutionary perspective, the motives and emotions having the strongest effect on cognition and behavior are those most closely related to survival and reproduction. Following this logic, we investigated how social proof and scarcity heuristics are influenced by two such motives: the motive to *protect oneself from danger* and the motive to *attract a romantic partner* (Kenrick, Li, and Butner 2003). Given that self-protection motives produce group-cohesive processes and lead individuals to desire to join together with others, we predicted that (H1) Fear-inducing contexts should lead social proof heuristics to be more effective, but cause scarcity heuristics to be counter-persuasive. Given that romantic motives are likely to produce a desire to stand out from the crowd by positively differentiating oneself from one's rivals, we predicted that (H2) romantic contexts should lead scarcity heuristics to be more effective, but cause social proof heuristics to backfire.

Contrary to predictions made by general arousal and affective-congruence models, the first two experiments showed that fear-inducing and romantic contexts influenced the effectiveness of the two heuristics in a way consistent with an evolutionary perspective. Fear led scarcity heuristics to backfire, while leading social proof appeals to be more persuasive. In contrast, romantic content led social proof heuristics to backfire, while leading scarcity appeals to be more persuasive. Not only were these findings different from those predicted by general arousal or affect models, but they cannot be explained by a simple persuasion matching-mismatching models.

Overall, this work demonstrates the utility of an evolutionary approach in consumer behavior by showing that an evolutionary approach can produce unique and testable predictions. Although this rich theoretical perspective has successfully led to theoretical advancements in the fields of biology, behavioral ecology, anthro-

pology, psychology, and economics, evolutionary models have thus far been almost completely absent in research in consumer behavior. We believe that the present work—and an evolutionary approach—reflect only the tip of a data-rich iceberg that can serve as an impetus for novel research and theory-building in marketing.

# Consuming Uncertainty: Feelings, Expectations, and Wishful Thinking in Consumer Choice and Experience

Eduardo B. Andrade, University of California, Berkeley, USA

## SESSION OVERVIEW

Managers and consumers usually think of uncertainty as a negative—to-be-avoided—aspect of a given purchasing or consumption experience. The four papers presented in this symposium challenge this intuition. *Andrade and Iyer* show that in a scenario where they must "pre-commit" to a sequence of 2 gambles, consumers choose to lower their bets after anticipated losses (vs. gains). When losses are eventually experienced, they bet more than they had initially planned. Dynamic inconsistencies are not observed after gains. The authors discuss potential underlying processes and the role of feelings. *Nelson, Galak, and Vosgerau* investigate the potential (mis)matching between forecasting and experiencing excitement. In prospect, people seem to put a substantial premium on the excitement of outcome uncertainty in televised sporting event, but it remains unclear if this actually improves the experience. The authors show that in many cases, uncertainty operates much different than consumers predict. Although people enjoy a live game more than a taped game, the benefit is eliminated if people also place a bet in the game. Moreover, people enjoy the uncertainty that comes with wagering on games, despite the added anxiety it brings. Furthermore, though people believe that knowing the outcome in advance will ruin the experience, it actually has no negative effect, and knowing the game play ahead of time actually improves the experience of watching the game.

*Mazar and Ariely* expand the relationship between uncertainty and excitement by investigating probabilistic discounts. When will a probabilistic discount (i.e., gambling-type) be preferred over a fixed discount? Why would it be preferred? The authors show that probabilistic discounts are more appealing than fixed discounts of the same expected value. Moreover, this preference results from a desire to "avoid the pain of paying" rather than to "enjoy the excitement of the gambling". Finally, *Goldsmith & Amir* also show that there are motivational advantages to uncertain cues. They find that promotions offering uncertain rewards are more persuasive than those which offer certain rewards with a higher expected value. For example, lotteries between smaller and larger rewards can be as attractive as larger certain rewards. Consumers tend to show intuitive wishful thinking, a tendency that may be mitigated through elaboration and a-priori attitudes.

In short, consumers occasionally seek uncertainty, even when it seems strictly suboptimal. Although they may derive direct utility from it (Goldsmith, Amir; Mazar & Ariely) they might also overestimate its benefits (Nelson, Galak, & Vosgerau). On other occasions consumers will to endure its costs (Andrade and Iyer) in pursuit of a distal benefit. Regardless, whether in the context of gambling, product promotions, or televised sports, it seems clear that consumers will frequently incorporate the anticipated levels of uncertainty into their decision making process.

We are pleased to have Tom Meyvis as our discussant, whose expertise across the entire field should help to integrate the four papers and place them in the context of the ongoing theory, research, and practice of consumer research.

## EXTENDED ABSTRACTS

### "Dynamic Inconsistencies in Gambling: The Role of Feelings"

*Eduardo B. Andrade, University of California, Berkeley*
*Ganesh Iyer, University of California, Berkeley*

Anecdotal evidence suggests that in a gambling environment people might violate pre-commitments, and bet more than they had initially planned. In this paper, we investigate this phenomenon in a scenario where (i) participants have full information about the characteristics of the gamble prior to a planning phase (ii) the time period between the planning and actual phases of the gambles is very short (around 1 minute), (iii) and participants are reminded of the planned bet right before the actual bet. The research paradigm follows a two-stage process. First, during the *"pre-commitment" phase*, participants are asked to pre-commit to a series of 2 fair gambles. In gamble 2 they are given the opportunity to bet contingent on winning/losing the previous bet. Then, during the *actual phase* of the gambles participants are unexpectedly allowed to confirm or revise the "pre-committed" bets. In other to increase external validity, participants are authorized to use their own participation fee in the experiments and bet any amount within a pre-determined budget (i.e., $0 to $5 per gamble).

The results throughout all three experiments show that, on average, participants plan to bet less after an anticipated loss and the same amount after an anticipated gain. Also, asymmetric dynamic inconsistencies emerge during the actual phase of the gamble, as participants bet on average more than initially planned after experiencing a loss and the same amount after experiencing a gain.

Experiments 2 and 3 address the mechanisms leading to the systematic deviation after losses. Following the hot-cold empathy gap, we hypothesize that people underestimate their negative feelings and its impact on subsequent behavior. It has been shown that people eat more, shop more, take more drugs, and report riskier sexual behaviors than they had initially planned in a cold state. Whether deprived from food, information, drugs, sex, or money individuals will react, and usually exaggerate, in an attempt to reestablish the prior state. Translated into gambling contexts, it means that during the pre-commitment phase (cold state) participants underestimate the impact of the feelings during actual phase (hot state). Precisely, negative emotions generated by losses lead people to "over bet" (i.e., positively deviate from the initial plan) in a visceral attempt to restore a current affective state in the prospect of winning.

In experiment 2, therefore, an affective correction manipulation is used, where a subset of participants is asked to avoid using their post-outcome feelings generated in gamble 1 during the subsequent bet. Consistent with the hot-cold empathy gap, the asymmetric dynamic inconsistencies disappear when people are requested to correct for the potential impact of post-outcome feelings of gamble 1 on bet decisions in gamble 2.

In experiment 3, we assess whether participants underestimate their negative feelings after a loss. Following the pre-commitment phase but before the actual phase, participants are asked to forecast their feelings after a potential gain and after potential loss in gamble 1. Once the outcome 1 is realized participants are asked to report

current feelings. The results show that participants on average underestimate how bad they will feel after a loss in gamble 1 and are on average accurate about their positive feelings after a gain. Moreover, most participants who deviate from the plan after a loss are also the ones more likely to underestimate their negative feelings after the loss is experienced. No such contingency is observed after a gain.

### "The Unexpected Enjoyment of Expected Events: The Suboptimal Consumption of Televised Sports"

*Leif Nelson, University of California, San Diego*
*Jeff Galak, New York University*
*Joachim Vosgerau, Carnegie Mellon University*

Sometimes uncertain events are more exciting than their certain alternatives. Consistent with this excitement-seeking drive, when watching sporting events people put a substantial premium on the feeling of uncertainty by experiencing them live (as opposed to taped) or by placing wagers on the outcomes (Vosgerau, Wertenbroch, & Carmon, 2006). Does all this extra uncertainty and anxiety actually improve the experience? Recent work suggests that it might not, instead suggesting that the added uncertainty may come at a cost to the enjoyment of the experience (Mandel and Nowlis, 2007). Four studies investigate the influence of prediction and outcome knowledge on the experience of watching sports programming. We derive two types of uncertainty, process and outcome, in order to manipulate and identify which factors make televised sports most enjoyable to watch. Inclusive in this analysis is a consideration of sports betting, which had been previously shown to have a negative influence on enjoyment, but which in these studies we show can have a highly variable influence.

In our first study, American participants watched the final few minutes of closely contested women's European handball match. Some participants were told that the game was being streamed live from Germany, whereas the remainder were told that it was a previously taped game. Additionally, approximately half of the participants in each group were given an opportunity to predict the winner of the game (after reading some basic information about the teams). All participants then watched the game and indicated how much they enjoyed it. As people have forecasted in previous research (Vosgerau, Wertenbroch, & Carmon, 2006) participants enjoyed the game more when it was 'live.' However, this difference only held for people who did not bet on the game; the difference was eliminated for people who had an additional stake in the outcome. Though some uncertainty improves the consumption of televised sports, when coupled with the arousal of a bet on the outcome, uncertainty has no additional impact.

Study 2 compared three different viewing conditions (this time of the overtime period of a professional basketball game): A control condition, a betting condition, and a condition in which the participants knew the final score beforehand. All of these Experiencers watched the entire 15-minute clip and reported their enjoyment. We were particularly interested to know if people were well calibrated to the influences of these factors, so we asked Forecasters to read a description of the each condition the Experiencers faced and to predict their enjoyment. Forecasters accurately predicted that people would enjoy the game more when they bet on the outcome, but they incorrectly predicted that people would enjoy the game less when they knew the outcome. Forecasters universally thought that eliminating outcome uncertainty would ruin the viewing experience, but it had no impact whatsoever.

But is all uncertainty the same? When people think of uncertainty in sports they instantly think of the outcome, but fail to consider the uncertainties of each event leading up to the game outcome. It may be the case that, in fact, the cumulative impact of those smaller uncertainties may outweigh the outcome uncertainty when determining the overall enjoyment. When this process uncertainty is reduced or eliminated, the anxiety associated with it is also removed leaving people to experience only the excitement associate with the experience. Study 3 sought to show that process uncertainty, rather than outcome uncertain was the driver of enjoyment. When watching the same overtime period as in Study 2, half of the participants were told which team would win the game (outcome certain) and half were not (outcome uncertain). Furthermore, for about half the participants the audio channel was offset so that the announcers reported on the game play 3 seconds ahead of time (process certain) versus 3 seconds delayed (process uncertain). In accordance with our hypotheses, Forecasters thought that they would enjoy watching the game less when either outcome or process was certain. But, in fact, Experiencers enjoyed watching the game equally whether the outcome was certain or not. Viewers enjoyed the game more when the process was certain than when it was uncertain. So, while viewers think uncertainty generally enhances enjoyment, process uncertainty actually dampens it.

Is it always the case that process uncertainty is aversive? Study 4 addressed this question by having participants watch the same overtime period as in Studies 2 and 3. Approximately half of the participants bet on the outcome of the game and the other half did not. Additionally, we again manipulated process uncertainty by offsetting the audio channel either 3 seconds ahead of time (process certain) or 3 seconds delayed (process uncertain). We reasoned that bettors were actually deriving hedonic value from the feeling of anxiety, and so their enjoyment should go down with increased certainty. For non-bettors we replicated our finding from study 3: process uncertainty is aversive. However, for bettors, process certainty was aversive. Furthermore, by collecting continuous measures of excitement throughout the entire viewing experience we were able to determine that this variability was only present in the second half of the experience, when the outcome was looming. Though betting on sports can make them more enjoyable, that enjoyment is predicated on the uncertainty of the entire event.

### "Probabilistic Discounts: When Retailing and Las Vegas Meet"

*Nina Mazar, Massachusetts Institute of Technology*
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People love to gamble. Recent numbers provided by Christiansen Capital Advisors CCA and the American Gaming Assocation (http://www.americangaming.org) support the notion of gambling as a mammoth phenomenon in our society: Consumer spending on traditional gambling including commercial casinos, racetracks, card rooms, and lotteries generated a $85 billion input to the U.S. economy in 2005 and Internet gambling has been estimated to reach $25 billion in global revenues by 2010. Given these observations we were wondering whether we can design a new type of discount that combines retailing with gambling such that it becomes more attractive for both consumers and retailers.

Imagine that you are at the checkout of your local video store and they offer you one of two discounts: What would you choose?

A fixed discount that offers a guaranteed 10% off your purchase OR

A probabilistic discount that offers a 10% chance to get your purchase for free and 90% chance to pay the full price

Choices among gambles have been the "fruit fly" of research on decision-making. In the current work we examine gambles in context of purchases and in particular in context of discounts. There are several reasons why a probabilistic discount is likely to work.

First, there is the attraction of the gamble itself, due to excitement, curiosity, wishful thinking, or variable schedules of reinforcement. Second, getting something for free (i.e. zero price) seems to not only reduce cost, but also add benefit such that people are disproportionally attracted to free items (Shampan'er and Ariely, forthcoming). Finally, recent evidence suggests that paying–part of the buying transaction–is psychologically painful and people therefore try to avoid paying (Prelec and Loewenstein, 1998).

The questions we examine are: 1) Under what conditions do consumers prefer risky / probabilistic discounts? 2) Under what conditions would consumers spend more money if they were given probabilistic discounts? 3) What is the cause for the attraction of the probabilistic-discount? 4) Finally, we use this type of data to examine whether consumers think of purchasing more as a gain or as a loss in terms of their risk attitude.

We examine these questions in four experiments. First, in a field experiment we offer customers of a local video store at checkout a choice between a fixed discount and a probabilistic discount on one video rental with equal expected value. We examine the preference between these two discounts at a 10%, 33%, 50%, 67%, and 90% chance of getting one rental for free and find that in general customers significantly prefer the probabilistic discount over the fixed discount.

Next, we designed an online store in which students were able to spend their own money and buy items ranging from $0.50 (candy) to $15 (Amazon Gift Certificate). We had three different versions of the store manipulated between subjects, offering a 10% fixed discount, a 10% probabilistic discount, and a choice between these two types of discounts. Our results show that customers in the probabilistic discount store purchased significantly more of the cheaper items but significantly less of the expensive items. Customers shopping in the store that offered both types of discounts showed a pattern of behavior that was somewhere in the middle although they showed a strong preference for the probabilistic discount.

In a third experiment, we repeated the first experiment in the local video store but this time varying the probabilistic discount such that it would not always offer a chance to get the item for free but instead to buy it for a small, insignificant amount (probabilistic discounts: 11% chance to pay $0, 12% chance to pay $0.38, 13% chance to pay $0.69), while keeping the expected value the same. Again we find that in general customers significantly prefer the probabilistic discount over the fixed discount and that it does not matter whether the probabilistic discount involved a chance of getting the item for free or for a small $ amount. This result suggests that the attraction of the probabilistic discount is not due to the special role of a zero price.

Finally, we contrast consumers' preference for risky options over sure options in context of purchases for a designer pen with purchases of gift certificates for Amazon.com (a product that comes relatively close to money) and with their preferences in context of gambles involving money-prizes of equal expected surplus. Our results suggest that the attraction for risky options is higher for product purchases than for gift certificate purchases, and even higher than for monetary gambles. Together these findings suggest that the probabilistic discount is significantly driven by the pain of paying involved in a purchase and not (only) by the gamble and the excitement of winning something.

By bringing probabilities to the marketplace we are able to examine how consumers react to probabilities in settings that they are more used to, and hopefully expand our understanding of decision-making under risk more generally.

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### "Wishful Thinking: How Uncertainty Can Improve Promotions"

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Advertisements for consumer incentives often contain varying degrees of certainty as to the nature of the incentive. For example, one advertisement might promise a generous gift with purchase. Another might offer a gift with purchase which could be either a generous gift or a more modest gift (the latter incentive being comparably more uncertain). As wishful thinking is only free to operate when the value of an incentive is not explicitly delineated, it seems possible that appraisals of an uncertain incentive's value could be boosted by wishful thinking and might even exceed those aroused by a more specific incentive.

Most conceptualizations of consumer behavior suggest that people tend to be risk averse over gains, that is, they prefer a sure good to a lottery of equivalent expected gain. In particular, because receiving a free gift in a promotion is a gain for consumers, Prospect Theory argues that consumers should be risk averse and favor the more "certain" outcome (Kahneman & Tversky, 1979). However, research has also shown that uncertainty can allow consumers to wishfully think that a superior outcome will emerge and use that as an "elastic justification" (Hsee, 1995). Thus the results on uncertainty are mixed and the question of when wishful thinking aroused by greater uncertainty can boost the perceived value of an incentive above its expected value remains unresolved.

The key hypothesis of this paper is that such instances exist. We claim that uncertain incentives can be appealing when our natural wishful thinking is allowed to operate. This premise relies on the following assumptions about judgments in the domain of gains: 1) People intuitively demonstrate wishful thinking; 2) This wishful thinking holistically increases the perceived value of uncertain rewards; 3) When the judgment is not intuitive, or when factors that inhibit wishful thinking exist, this effect will not occur. We test the theoretical and empirical foundations for these premises in a series of experiments by altering the degree of certainty in the incentives which consumers are shown and assessing consumers' judgments of those incentives.

Our pilot study demonstrates that uncertain promotions can be more motivating than their expected value, and consequently may be as motivating as certain high value rewards. In one condition we offer either a high value reward (a free iTunes song download) and in another condition a low value reward (a point towards a future prize). In a third condition we offer the lottery between the above-mentioned rewards. In line with our predictions, our results show that the lottery between the high and low value rewards is just as effective at generating interest as the high value reward.

Experiments 1-5 explore the process behind this effect. The results of these studies demonstrate that our intuitive wishful thinking is what colors an uncertain incentive with a rosy glow. Thus when we are told that the incentive is a lottery between a high value and a low value reward, our automatic, intuitive response is to perceive the value of this uncertain offer as being greater than its expected value.

We find that this intuitive wishful thinking is different from generalized optimism and is not driven by a biased understanding of base rates. Experiments 1 and 2 illustrate the intuitive nature of these assessments: when any elaboration is encouraged before judgments are made, the positive effect of uncertainty is significantly diminished. Calling into question one's likelihood of receiving the high value incentive (Experiment 1), or simply encouraging participants to "think carefully" before responding (Experiment 2) negates the operation of automatic wishful thinking. In both instances, interest in the uncertain incentive dropped significantly and was on par with interest in the low value reward, as opposed to the high value reward. Interestingly, ratings of one's likelihood of receiving the high value incentive made ex-post were statistically indistinguishable from those made ex-ante, supporting the claim that this effect is not driven by a biased understanding of base rates.

While we demonstrate that when allowed to operate wishful thinking can increase the perceived value of an uncertain gain above its expected value, one may question if the participants evaluating the lottery incentive are actually engaging in wishful thinking or if they are simply focusing their attention on the more extreme of the two outcomes. Experiment 3 rules out this alternate account by assessing consumers' interest in receiving a flu shot when the side effect is either negative (extreme option), moderately negative (preferred option), or a lottery between the two. In line with our contention that consumers employ innate wishful thinking, interest in this lottery condition does not resemble interest in the extreme alternative, but rather resembles that of the preferred alternative with interest in each being higher than that of interest in the extreme option.

Experiments 4 and 5 manipulated antecedents of optimism to further explore what drives interest in uncertain offers. The results demonstrate that when affect is manipulated, uncertain incentives can be as motivating as high value incentives offered with certainty when a positive mood is induced (Experiment 4). As prior research has demonstrated the correlation between mood and optimism (Marshall et al, 1992), these results illustrate how heightening wishful thinking can increase the positive impact of uncertainty on a promotion's effectiveness, while dampening it has deleterious consequences for interest in uncertain incentives. Experiment 5 replicates these findings using a-priori trust in the retailer to manipulate wishful thinking. Again, when wishful thinking is allowed to operate it increased the effectiveness of the uncertain promotion beyond its rational value. These results illustrate a boundary condition which should read as cautionary to some retailers: uncertainty might not be positive when the nature of the retailer promotes skepticism; on the other hand, trusted brands and established venues may benefit by adding uncertainty to their promotions.

Our results contribute to a growing body of literature on how and when uncertainty can be motivating. We believe the research enriches our understanding of how consumers react to retailer promotions and has clear practical implications for marketers.

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# Doing Family: The Temporal and Spatial Structuring of Family Consumption
Linda Price, University of Arizona, USA

## SESSION OVERVIEW

The purpose of this session was to bridge sociological and family research on the temporal and spatial dynamics of the ideologically laden enterprise of "doing family" with family consumption research. The session broadly contributed to our understanding of family consumption, a neglected and vital topic for consumer research. In addition, we enhanced understanding of how consumption, time and space interplay and are constitutive of the structures of domestic life. Relatively little consumer research addresses this interplay. The session was of broad interest to consumer researchers interested in family, identity, mundane consumption, time and technology. The presentations confronted challenges of doing family in contemporary consumer culture, challenges many of us encounter in our own family lives.

The family is a fundamental building block of society that impacts numerous areas of life and represents an important consumption unit intermediate between individuals and society (Netting, Wilk and Arnould 1984). Despite its importance, compared to the vast array of studies focused on individuals, there is still relatively little work on families in consumer research and important research questions remain (Commuri and Gentry 2000). One important yet neglected aspect of family consumption is the micro spatial and temporal dynamics of everyday family life—the coming together and moving apart in time and space that characterizes doing family (Daly 1996, 2001; DeVault 2003). Consumer researchers have focused on transitional episodes such as divorce, moving and aging on family consumption and have also explored the structural life cycle of families. However, the micro movements of family members together and apart in space and time have been almost wholly neglected in consumer research.

A burgeoning array of social science research is dedicated to examining family time as "the central organizing feature of family activities" (Presser 1989, p. 536; Daly 1996; Folbre and Bittman 2004; Zvonkovic, Manoogian and McGraw 2001). Nevertheless, "the meaning of time for families has been insufficiently problematized," generally residing in the recesses of discussions about caregiving, work-family balance and socialization (Daly 1996, p. 2). One area deserving of more attention is how space and time interplay in the material and symbolic organization of family experience (Silverstone 1993; 287). Family time might even be theorized as "transsituational or spatially dislodged," with family activities mobilized over cell phones, computers and on-line environments (Daly 1996, p. 221; Gillis 2001).

Family activities in space and time are heavily freighted ideologically. Key tensions among family members and between families and broader ideological currents are often played out over family dinners and family vacations. Yet, there is little appreciation for nontraditional and conflictual aspects of family time and space (Winton 1995). For example, family meal times are traditionally cast as positive experiences central to family preservation and reproduction, but research shows that dinners are a site for conflict (Vuchinich 1987). Similarly, Larson and Richards (1994) discovered that tired and hungry adolescents and parents together struggle with "the 6 o'clock crash." Likewise, family vacations intended as a temporal oasis, may instead become a conflictual performance of irreconcilable individual and relational goals (Daly 1996).

Discussions of family activities and "quality-time," almost always implicate consumption (Daly 1996; English-Lueck 2002; Schor 2005). However, with few exceptions, sociological research shows little understanding of how consumption and family identity interplay across a spectrum of possibilities—sometimes contributing to fragmentation of family life but other times facilitating family togetherness (Daly 1996; English-Lueck 2002). Family problems are attributed to a lack of "family time" driven by consumption desires (Schor 2005), but there is little information about consumption strategies families employ to contend with barriers to spending time together.

Previous research has shown an explosion of technology into family space. Some argue consumer technology from televisions to computers and cell phones challenges the traditional temporal and spatial boundaries between work life, home life and leisure in myriad ways (Jackson 2002). But research is needed to examine whether and how families experience technologies as threats and resources in relationship to family time and space (Daly 1996; English-Lueck 2002).

The first paper by Kelli, Linda and Eric examined family dinner as a mundane but problematized spatial and temporal juncture for "doing family." The second paper, presented by Amber investigated coming together as a family on family vacations and the dynamic interplay of individual and relational identities enacted in this idealized "temporal oasis." The third paper by Fleura, Robin and Meera considered the problematic challenges of enlisted military families confronting centripetal and centrifugal movements associated with military deployment. Each of the three papers incorporated the passive and strategic roles of marketplace resources in the movement of families apart and together and examined the role of consumption in family activities. All the projects are ongoing multi-year endeavors and presentations were based on substantial data. Our discussion leader, Robert Kleine who has research interests in identity and mundane consumption engaged our audience in a thoughtful discussion that complemented the composite of papers in the session as well as added a different perspective.

## EXTENDED ABSTRACTS

### "Consuming Family Dinner Time"
*Kelli Gutierrez, University of Arizona*
*Linda L. Price, University of Arizona*
*Eric J. Arnould, University of Wyoming*

What do families do together? According to recent research, family members still predominantly use their limited time resources during shared meals (with TV a close second on weekdays, and travel a close second on Saturdays) (Robinson and Godbey 2000). However, the amount of time spent on family meals, especially weekday family dinners, has declined significantly during the past thirty years (Mestdag and Vandeweyer 2005; Jones 2001; Schor 2005). Simultaneously, this particular kind of family time, time spent over family dinner, is positively correlated with benefits such as reduced childhood obesity, aiding literacy development and reduced speech impairments, language socialization, lower levels of behavioral problems, higher academic achievement and reduced drug and alcohol use among teens (Califano 2005b; Fiese, Foley, and Spagnola 2006; Hofferth and Sandberg 2001; Neumark-Sztainer 2006; Ochs and Shohet 2006; Snow and Beals 2006). However, as with time-use diaries, these correlational data based on self-reports provide little insight into whether and why family dinner is actually important to families and how it is

experienced by them (Daly 1996; 2001). For example, in these studies, "weekly dinners together" may be the only measured indicator of family time, leaving unanswered the question of whether other kinds of family time (hiking, playing games or even watching TV together) would have equivalent benefits. Moreover, this measure may map more closely to what families believe they should do rather than what they actually do.

By contrast with the rosy portrait of family meals in some research, others argue that dinner time is an experience when parents and children come together with all the stress and fatigue induced by their participation in the outside world. Hence, energies are low, needs for nutrient and emotional energy high making reentry into the cohesive ideal of family life precarious. Family members may exert pressure on others to perform family roles in conformance with ideals provoking a backlash or may fail to perform as they themselves would wish, provoking dissonance and regret (Daly 2001, 207).

Our study examined whether and how family dinners are embedded in the centrifugal and centripetal dynamics of everyday family life, the diversity of meanings they have for families and the intentions and practices surrounding their enactment. We uncovered whether and why families attach importance to this particular use of scarce family time and whether and how family dinner practices coalesce with their ideological representations of their social value. In this way we provide a more nuanced conception of the relationships between the enactment of family, time and consumption.

Our ongoing project is comprised of participant observation and depth interviews with a diverse group of North American families including dual-income households with multiple children, blended families, single parent families, and dual-income couples without children. We sampled a diversity of informant families in order to uncover commonalities and differences in the meanings and experience of family time and family dinner. The project is conducted in the homes of informants before, during and after weekday evening meals and consists of approximately six hours of participant observation with each family including an average 60-90 minute depth interview with one or both parents, with follow-up interviews as needed. Using a modified time-diary approach, care was taken to situate a particular observed family meal within a weekly time-frame of family meals and time. Projectives were also employed to explicitly inform understanding of policy initiatives such as the "Family Day" campaign.

Findings reveal that family dinner is viewed as a priority family project fundamental to the identity of the family, but often at odds with individual and other relational identity projects. Informant families believe that they should have dinner together and intend to do so. Nevertheless, we uncovered substantial variance in what constitutes a family dinner as well as a diversity of meanings and enactments. Negative cases of families that favor other uses of scarce family time provide interesting points of contrast.

Why is family dinner a preferred way to spend scarce family time? Our findings suggest that as compared with other family time, the proxemic conventions of the family dinner table, norms for behavior, and the structured consumption sequence are viewed as facilitating and enforcing disclosure, intimacy and collective identity. In addition, the time of the weekday evening meal as compared to other times represents a symbolic coming together and cleansing of the family consistent with a nostalgic rendering of family time as a refuge from the outside world.

Paradoxically, while gathering for dinner seems responsible for most of the benefits (some home-cooked nutritional appeals aside), the problem of "what's for dinner," afternoon energy deple-

tion, combined with a steady stream of daily "emergencies" and technological intrusions creates a disjuncture between intentions and enactments of family dinners. In addition, although the actual components of a meal may be difficult to recall and unremembered the next day by participants, a complex array of conflicting norms implicitly constrain what is acceptable to serve as a family meal and may disrupt the intent of family dinner. These norms also constrain the portfolio of marketplace resources that families look to as a way of gaining control over this family time (i.e. pizza is okay in an emergency, pizza is okay once a week or so, pizza together is better than nothing and so on). Blaming daily "emergencies" plays a special role in maintaining the dream of family time against a reality of "failed" enactments.

## "Idealized Family Time: Collective Identity Interplay in Vacations"

*Amber M. Epp, University of Nebraska-Lincoln*

Contemporary families face diverse challenges to engaging in collective identity projects. Families such as blended, divorced, single-parent, and co-parenting from separate households sometimes result in family separation in both time and space (Daly 1996; Smart and Neale 1999). In addition, to some extent, the privatization of family possessions—evidenced in family members having their own televisions, computers, cell phones, and other personal technologies—may encourage individual interaction at the expense of collective interaction. Technology presents a paradox that leads both to assimilation and isolation effects (Mick and Fournier 1998), transforming family interaction in ways that reconstitute family relationships while simultaneously limiting time spent as a collectivity. Further, overbooked families spend much time engaging in separate activities such as work, after-school activities, music lessons, or sports, leaving less time for families to spend together (Elkins 2003).

As one result of these challenges, family identity practices spill out of the household as families find ways to interact purposively in time set aside just for family. Specifically, idealized family vacations are "culturally viewed as a temporal oasis away from rigid demands and schedules" (Daly 1996, p. 74). Vacations represent an increasingly relevant activity to both families and service providers. "Travel and tourism generates $1.3 trillion in economic activity in the U.S. every year" (TIAA 2006). In addition, families indicate that traveling with their families has become more important over recent years and gives time-poor families much needed time to bond (Gardyn 2001). Family vacations also offer a theoretically enlightening context. Staging collective experiences, particularly family leisure activities, helps families develop a sense of family identity (DeVault 2000; Shaw and Dawson 2001). Further, within this consumption milieu bounded in a particular time-space, families manage multiple identity projects and highlight the complexity of collective goals, choices, and actions that occur in families.

Family identity represents a co-constructed, collective identity that exists in action (Blumer 1969) and may diverge from the individual and relational-unit identities of its members. These relational units such as parent-child, couple, or siblings construct unique identities, discourses, rituals, symbols, and experiences that they enact as complementary, overlapping and competing consumption practices. Consumer studies reveal that marketplace resources offer solutions for managing identity tensions within individuals (c.f. Ahuvia 2005; Murray 2002; Oswald 1999; Schau and Gilly 2003; Thompson and Hirschman 1995; Thompson and Tambyah 1999; Tian and Belk 2005). Despite the noteworthy contributions of these studies, we have virtually no understanding of how collectivities manage the bundles of identities that coexist

in families. As co-producers of family experiences, service providers would benefit from such an understanding by indicating potential roles of firm resources in identity-constituting practices. The following research question guided my study: How do families use marketplace resources as they constitute and manage interplay among family, relational, and individual identities?

Based on semi-structured, group interviews with 22 families representing diverse family forms, this study uncovers a range of families' identity goals and practices that draw on marketplace resources. The interviews took place in families' homes to facilitate auto-driving techniques using vacation photos, videos, and artifacts and were designed to expose and discriminate among aspects of individual, relational, and family identity as enacted in this context.

Study findings revealed that despite idealized notions of vacations as strictly family time, families highlight not only collective practices involving the entire family, but also emphasize multiple relational bundles in their vacation experiences. Families used vacations as a bounded time-space context to construct, revise, and manage multiple identities. Among the participants in this study, families fell along a continuum of synergy and discord among displayed collective, relational, and individual identity projects. For instance, in some families, each combination of relational units (the whole family, subsets of family, and individuals) employed marketplace resources similarly and selected comparable activities to define themselves—demonstrating synergistic identity projects across groupings.

In the case of managing discord across groupings, voluntary displacement of one identity project for another was a common theme. Examples include a husband known as the family chef relinquishing the kitchen in a shared condo to his wife and her sisters to revitalize sibling identities; a grandfather supporting his wife and grandchild in their quest to explore gendered relational identity by having tea at American Girl Place; and an extended family encouraging a couple with multiple children to go out and do something they used to enjoy together. One contribution of this study is that it shifts the focus of group decisions away from relative influence (as most frequently studied—c.f. Filiatrault and Ritchie 1980; Litvin, Xu, and Kang 2004; Su, Fern, and Ye 2003) and instead considers the interplay of collective identity projects by examining identity goals, enactments, and discourses that might shape sub-decisions in the vacation context.

Prevalent across families, I observed an array of identity construction practices. In several families, participants' explicit purpose of taking the vacation was to establish new collective or relational identities. One newly-formed stepfamily indicated they took the trip as a bonding experience for their two daughters and stepfather, and all agreed that the vacation was a turning point: "we were able to accept him into our lives" (daughter). For a widowed, single father with two boys, the family vacation offered a shared time-space to "get out and build some light memories" together and establish a new family identity following this difficult transition.

In some cases, families draw on vacation experiences to revise boundaries around relational units. The most recurrent strategy families demonstrated involved integrating additional family members into existing subgroup identity practices. In many cases, parents established vacation traditions, such as visiting the same special place year after year or going out to breakfast every morning, which they extended to their children or to new members that joined the family. For one family, defined internally and by others as heavily involved in community service, a mother invited her son to join her on a "volunteer vacation" to build a recreational center for a poor village, an experience the mother participated in regularly.

### "Domesticating Technology to Build Army Family Identity"

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*Robin Coulter, University of Connecticut*
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Recently researchers have examined family identity practices (Commuri and Gentry 2000; Moore, Wilkie, and Lutz 2002; Price, Arnould and Curasi 2000). A related stream of research has suggested that new technology impacts physical and socio-cultural spaces in the home, and is changing popular conceptions of home and family (Venkatesh, Stolzkoff, Shih, and Mazumdar 2001). In this research, we focused on military families, nested within US Army subculture and confronted with the centrifugal-centripetal stressor of episodic deployment of family members into harm's way. Our work contributes to literatures on family, family roles and life projects and their associated conflicts, and the interplay of technology and family identity.

We conducted depth interviews with 18 wives (aged 24-44) of Army enlisted men, with children, living in on-post housing at two deployment Army posts. The interview was focused around two topics, home and technology, but the flow of the interview emerged in relation to characteristics of informants' experiences, and meanings (Thompson 1997). We then visited the homes of 14 informants to better appreciate their personal circumstances, their living space, and understand how the family locates technologies in their home space. Interviews were transcribed and scrutinized by hand and with the aid of a computer-based text analysis package, NVIVO. A narrative analysis enabled us to better understand technology's facilitating role in the creation and maintenance of family identity (McCracken 1988).

Army families experience special centripetal-centrifugal conflicts. Although in principle the Army enlists soldiers, in fact it enlists families; and Army spouses (94 percent of whom are wives) are expected to fully integrate into Army culture (Houppert 2005; Leyva 2003). Army families of enlisted men face many challenges– they are of low socio-economic status, are typically blended families, they relocate Army posts every two to three years, and for the past four years, they have contended with a spouse's deployment to military danger zones overseas. When their husbands are on post, Army wives fulfill traditional familial roles of wife and mother. When their husbands are deployed, the wives facilitate and sustain "family togetherness" over time and space. In some ways, these women become single moms, responsible for all household activities, and dual parental roles. Yet, they must determine how and when to involve their husbands in the family's daily life. They are cautious and think carefully about whether something is worth "burdening" or "distracting" their husband from his assigned duty– the war (see also Houppert 2005). These wives increasingly utilize information and communication technologies (ICTs) during husband deployment to sustain the family as well as manage their everyday household duties.

Recent work has considered the domestication of technology, the process by which public and pre-formed technology narratives are appropriated into the family, inscribed with private meaning and transformed into acceptable symbolic objects (Berker, et al. 2006), ultimately articulating particular family values (Silverstone 2006). The metaphor of domestication suggests that technology is a wild animal that is tamed through household agency which exerts control of domestic space and time and through which both the family and technology are altered (Morley 2006).

Consistent with previous research, we find technology has a multi-faceted impact on the family (Hoffman, Novak, and Venkatesh 2004, Mick and Fournier 1998). Our findings substantiate the domestication of technology—"the co-production of the social and

the technical" (Sørensen 2006, p. 46). Herein, we focus on two aspects of domestication–objectification which is concerned with the spatial aspects and incorporation which deals with the temporal aspects of domestication (Silverstone et al. 2006). An overarching theme that emerges from our data is "control," related to the space and time needed to create family identity and cohesion.

With regard to objectification, our informants deliberately and strategically locate technology in the home to facilitate family togetherness. In many homes, computers, webcams, and other information and communication technologies are placed in the public space of the living area and often serving as a center for family togetherness (e.g., a family movie or game night). In some instances, placement of technology is an artifact of the lack of space in "old" on-post housing units. However, in "new" on-post housing units with extra space, families make conscious decisions to locate ICTs and orchestrate space around ICTs. Consistent with other work (e.g., Mick and Fournier 1998), our informants acknowledge that ICTs have the ability to disrupt family identity if they are not carefully monitored and managed, a factor which partially drives the integration of ICTs into central spaces.

Our findings also document incorporation of technology into daily life. ICTs induce changes in the management of temporal patterns in domestic life. Family unity is particularly relevant when the family's soldier is deployed, and ICTs offer a metaphorical bridge between the physical space of home and the front, and family's "control." Through ICTs, informants make their husbands "present" for the birth of babies, birthday parties, and other family events. ICTs are an important tool for building not only the immediate Army family (see also Kosova 2007), but also constitute a social, bonding space for extended kin relationships. Family photo websites, emails and other computer-mediated communication constitute an important relationship maintenance infrastructure not only for the immediate family but also for neighbors, other military wives, and Army support staff who, on occasion, or with some regularity, become part of the family unit. Despite the positive aspects of ICTs in sustaining and building family, informants are mindful of the "evils of technology" that have the potential to degrade the family unit. Army mothers monitor not only the content of, but also the time allocated to computers, XBox, television, and other technologies. Many set a timer, others keep written records. A key concern is having their children "get lost" in the technology.

Consistent with domestication research, we find that meanings of technology in the home are neither positive nor negative, but rather are negotiated by the family(Bakardjieva 2006). Indeed, the family, its rituals, scripts and dynamics, as well as values and goals impact not only the acquisition of technology, but also the nature of the objectification and incorporation of ICTs within the household.

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# The Role of Power In Consumer Behavior: New Perspectives and Insights

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## SESSION OVERVIEW

Power, defined as the capacity to control one's own and others' resources and outcomes (Hunt and Nevin 1974; Keltner et al., Gruenfeld and Anderson 2003), is perhaps one of the most omnipresent forces in consumers' lives. Throughout the day consumers likely have experiences of feeling both powerful and powerless. For example, meeting with one's boss might evoke feeling powerless, but interviewing a potential employee may evoke feeling powerful. What is the role of power in consumer behavior? Does feeling powerful lead to an increased willingness to pay a premium price for products, or might it have the opposite effect? Do momentary states of power affect consumers' response to persuasive messages? Does power activate a single goal, or could there be different goals associated with power? This symposium unites under a common theme of providing understanding of the role of power in consumer behavior.

The first paper by Rucker and Galinsky examines how states of power affect consumers' spending behavior. Recognizing powerlessness is an aversive state, these authors propose that powerlessness may serve a previously unexplored role of motivating consumers to restore power. Because status is one source of power, they suggest consumers would be willing to pay a premium for status-related products in an effort to restore power. In three experiments, these authors find evidence that placing consumers in a state of low power provokes a greater willingness to pay for products associated with status, but not with products unassociated with status. This work provides insights into the role of power in consumer behavior, and provides evidence for a new compensatory process evoked by power.

The second paper by Briñol and colleagues explores how power affects consumers' attitudes towards a persuasive message and whether this is dependent upon *when* power is induced— before or after a persuasive communication. Briñol and colleagues suggest power validates whatever mental constructs are accessible to consumers. They hypothesize that before persuasion power produces a general sense of confidence in one's views that leads consumers to process subsequent information less carefully. However, after persuasion, they suggest power enhances consumers' reliance on their thoughts. These authors provide evidence for both of these effects and demonstrate how power can differentially affect persuasion depending on whether it is induced before or after persuasion. This stream of research provides an important insight into how power affects consumers' attitudes, intentions, and information processing.

The final paper by Torelli and Shavitt enhances our understanding of power by distinguishing between notions of power as status and power for the benefit of others. In three experiments, the authors find that consumers' information processing efforts are not dependent solely on the activation of power, but the particular notion of power held by consumers. Specifically, those who are relatively high in vertical-individualism engage in more stereotyping, presumably to preserve their power identity, whereas those who are relatively high in horizontal-collectivism engage in more individuating, presumably in order to form careful impressions that could be helpful to others.

This session discusses a topic that has received little prior research attention in the consumer behavior literature, but has amazing potential to both inform consumer research and stimulate future research efforts. We anticipate this session will attract not only those interested in attitudes and information processing, but those interested in studying the topic of power that is beginning to emerge in consumer research. Joseph Priester, an expert in information processing and persuasion, will weave together the implications of the three streams of research and paint a picture of the future research questions for research in power and consumer behavior.

## EXTENDED ABSTRACTS

### "The Role of Power in Consumer Spending"
*Derek D. Rucker, Northwestern University*
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How does power affect consumers' spending habits? Past research suggests that power tends to be associated with action (Galinksy, Gruenfeld, and Magee 2003) such that states of feeling powerful prompt greater action and greater risk-taking (Anderson and Galinsky 2006) Thus, one potential role for power in consumer spending is that power would lead to greater spending (i.e., paying whatever it takes to acquire an item). Indeed, such a prediction might also be hypothesized based on a general association of power with resources (e.g., Keltner et al. 2003), indicating those feeling powerful may perceive themselves as having more resources to allocate to obtaining consumer products.

We propose, however, that power may play a very different role in consumer spending. Several research streams suggest that power is an aversive state such that people often have a more negative response when in a state of low power (Keltner et al. 2003). As an aversive state, we hypothesize that consumers are likely to want to reduce feelings of powerlessness. Past research suggests that status is one form of power (e.g., French and Raven 1959). Furthermore, research suggests that consumer products serve the function of communicating information about one's status (e.g., Belk, Bahn, and Mayer 1982). For instance, Belk and colleagues (1982) discuss the notion that consumer products may signal or convey one's status. Belk and colleagues note, "It may be that concern with *demonstrating* status to others comes to dominate other consumption message interests sometime after the eighth grade and that this concern then continues."

*Power and Consumer Spending: The Compensatory Hypothesis.* Given low power is often an aversive psychological state, we hypothesize that consumers may seek to compensate for feelings of powerlessness by obtaining or signaling status. Further, we suggest acquiring consumer products and goods represent one means by which consumers may attempt to restore their lost power. Status has often been viewed as one basis of power (French and Raven 1959) and indeed, status often determines the resources or control one is given or able to allocate within a group (Kemper 1991). Consequently, we hypothesize that, when placed in a psychological state of low power, consumers may be attracted to and seek to acquire products that are naturally associated with status (e.g., business attire, executive pens). By acquiring products associated with status, consumers may compensate for their feelings of powerlessness. If true, we hypothesize that consumers' willingness to spend money on products associated with status should increase when they are in a state of low power. This increased expenditure should stem from a greater perceived psychological benefit of the product in addressing their needs.

In experiment 1, we examined the extent to which power affects participants' willingness to pay for products that have an association to status. Power was induced by instructing participants to write about a time they either had low or high power, a manipulation clearly established to affect participants' state of power (Galinsky et al., 2003). In addition, a control group was included where participants simply described their last trip to the grocery store. Then, as part of an ostensibly unrelated study, participants were asked to indicate their willingness to pay for various consumer products. Results revealed that low-power participants compared to high-power or control participants, indicated a greater willingness to pay for items associated with status (e.g., Italian suit, briefcase, silk tie) but there were no differences in items unassociated with status (e.g., sofa, t-shirt, minivan).

In experiment 2, we examined whether the effects hold for the same consumer product by simply framing the product as being associated with or unassociated with status. Specifically, after receiving the power manipulation used in experiment 1, all participants were asked to indicate their willingness to pay for a portrait of their university. However, the product was either described as common and conveying no status or special association or as rare and conveying prestige and status. Replicating experiment 1, we found participants placed in a state of low power, compared to high power and control conditions, were significantly higher in their willingness to pay for the same item, but only when the product was framed as having status.

In a third experiment, we found that consumers' increased willingness to pay for items associated with status is due to the perception that obtaining those items will provide a sense of power to them. In addition, throughout the experiments we included items to assess competing interpretations of the data (e.g., mood), and find little evidence for alternative accounts.

*Conclusion and Contributions.* The present research provides evidence for a new mechanism by which power can affect behavior. We believe the present findings offer advances in understanding the role of power in consumer behavior and, more generally, the various processes that are activated by changes in one's psychological state of power. Theoretical and practical implications of this work in understanding power in consumer behavior are discussed.

### "The Validating Effects of Power: Implications for Consumer Persuasion"

*Pablo Briñol, Universidad Autonoma de Madrid*
*Richard E. Petty, Ohio State University*
*Carmen Valle, Universidad San Pablo Ceu*

Building on previous research demonstrating that power is associated with approach tendencies (Galinsky, et al. 2003), we argue that greater levels of power might be associated with increased confidence in whatever mental constructs are accessible at the time. We provide an initial experiment to demonstrate the existence of a power-confidence link. We subsequently hypothesized power, via its relationship with confidence, would have divergent effects depending on whether power was induced before or after persuasion because of the mental constructs likely activated.

First, we hypothesized before information processing consumers' must decide how carefully to process information. As a consequence, we anticipated that inducing power before information processing would affect consumers' decision of how carefully to process subsequent information. Feeling powerful, compared to powerless, should induce confidence in one's position, and past research has shown that states of confidence lead people to process subsequent information less thoroughly (e.g., Tiedens and Linton

2001). If consumers' process information less carefully when they feel powerful, this should lead to a poorer discrimination between weak and strong arguments (Petty and Cacioppo 1986) due to differences in information processing.

Second, we hypothesized that after information processing consumers' no longer need to decide whether to process but whether to rely upon or trust their own thoughts in response to the message. As a result, we hypothesized that feeling powerful, compared to powerless, should induce greater confidence in one's thoughts, and past research has shown that people are more likely to rely upon their thoughts when those thoughts are held with confidence (Briñol, Petty, and Tormala 2004). Importantly, if consumers' rely upon their thoughts more when they are feeling powerful, this should lead to a great distinction between weak and strong arguments (Briñol et al., 2004) due to differential thought reliance.

*Experiment 1: Linking Power and Confidence.* Participants were randomly assigned to the high-power or low-power conditions. Power was manipulated by asking participants to play the role of a supervisor or an employee in a work simulation game (Galinsky, et al. 2003). Following this induction, participants rated their confidence and feelings of power. We predicted and found that participants in the high-power condition felt more confident and powerful that low-power individuals. This supported our hypothesized link between power and confidence.

*Experiment 2: Manipulating Power Before Information Processing.* Power was manipulated between participants using the same manipulation as in experiment 1. After completing the power induction task, as part of a supposedly unrelated study, participants were asked to evaluate a printed advertisement promoting a new cell phone containing either strong or weak arguments. Argument quality was varied in this study to assess consumers' information processing activity. Specifically, the greater information processing, the more (less) favorable consumers should be when receiving strong (weak) arguments. Finally, all participants reported their attitudes toward the product. If power does influence participants' confidence in their views when deciding whether to process a message, participants who are powerful should show less information processing than participants who are less powerful. Consistent with predictions, we found that the effect of argument quality on consumer attitudes was smaller when consumers had been induced into a state of high, as opposed to low, power.

*Experiment 3: Manipulating Power After Information Processing.* Participants were first exposed to a printed advertisement promoting a new cell phone containing either strong or weak arguments. Prior to providing their attitudes, however, participants were told the experimenter need to make copies of the dependent measures and thus they should work on a new experimental task. Power was then experimentally induced using the same role-playing technique described in prior experiments. After completing the power manipulation, the experimenter returned with the final measures and participants reported their attitudes toward the product. If, when induced after information processing, power does influence the confidence with which people hold their thoughts, we would expect high power to increase the argument quality effects, that is, more persuasion with the strong than the weak ad. In line with this hypothesis, we found that the effect of argument quality on consumers' attitudes was greater when consumers had high rather than low confidence in their cognitive responses. Thus, with relatively high confidence, consumers relied on their thoughts in forming attitudes, but with relatively low confidence, consumers did not use their thoughts to judge the product (producing a lower attitude-thought correspondence).

*Discussion.* In the present work we not only demonstrate a link between power and confidence, but demonstrated that power could have different effects on persuasion depending on when power is induced. Specifically, when induced prior to information processing power affected how carefully consumers processed a message. However, when induced after information processing power affected the confidence consumers placed in their thoughts. As a result, a strong message was more persuasive for low power participants when power was induced before information processing, but a strong message was more persuasive for high power participants when power was induced after information processing. Taken together, these findings are important because they identify new roles for power in the persuasion process.

### "Culture and Mental Representations of Power Goals: Consequences for Information Processing"
*Carlos J. Torelli, University of Minnesota*
*Sharon Shavitt, University of Illinois*

This research investigates the consequences of activating different types of power goals on consumer information-processing strategies. People's culturally-related values and beliefs are used to predict the types of power-goals activated when power is made salient. We examine the role of cultural orientation in consumer contexts that make power salient, the types of power goals that individuals bring to mind in those contexts, and the information processing consequences of activating those goals.

In the present research, we focus here on 2 types of power goals: 1) *personalized* power (i.e., self-focused) goals of seeking status in order to gain recognition and admiration from others and, 2) *socialized* power (i.e., other-focused) goals of helping and having a positive effect on others (McClelland 1973). In previous studies, we have found that whether people pursue personalized vs. socialized power goals is predicted by their culturally-related values and beliefs. We separate different cultural orientations using the *vertical-horizontal* distinction nested within the broader individualism-collectivism classification (Triandis and Gelfand 1998). We find that individuals high in vertical-individualism (VI) associate power with personalized goals of seeking status, whereas individuals high in horizontal-collectivism (HC) associate power with prosocial goals of helping others. We use the goals that high-VI and -HC individuals associate with power to better predict how they process information when power is salient.

Previous research indicates that powerholders frequently use stereotypes for their judgments. Stereotyping protects relevant beliefs about who should have control and protects existing power identities (e.g., Fiske 2001). However, powerholders who focus on their effects on the well-being of others often attend to individuating information (Goodwin et al. 2000). We propose that the way in which people process information when power is salient will be impacted by the culturally-nurtured associations they have established with power. Powerholders relatively high in VI, who associate power with personalized goals of seeking status, would engage in more stereotyping. In contrast, powerholders relatively high in HC, who associate power with prosocial goals of helping others, would attend more to individuating information.

Results from 3 experiments support the notion that, when power is salient, individuals relatively high in VI stereotype more. They attend more to and remember better information that is congruent with their prior expectations about target products, whereas such effects are absent among low-VI participants. In contrast, individuals high (vs. low) in HC attend more to and remember better the information incongruent with their prior expectations about target products. In all experiments, cultural orientation was measured using Triandis and Gelfand's (1998) scale.

In experiment 1, we examined the effects of personalized (status-enhancing) versus socialized (helping-others) power cues embedded in product messages on the way participants processed the messages. Participants read initial information about either a status enhancing (i.e., facilitates achieving high-status) or a nurturing product (i.e., that impacts others positively). Along with this initial information, participants read additional information both congruent and incongruent with the initial description of the product. After a filler task, they received a surprise recognition task for the product information. As expected, people high in VI stereotyped more after reading information about the status-enhancing (and not about the nurturing) product. That is, they remembered better the congruent (relative to incongruent) information, whereas such effects were absent among participants low in VI. We argue that status-seeking goals activated by the product description led high-VI individuals to stereotype more. In contrast, individuals high (vs. low) in HC processed in a more individuating manner after reading information about the nurturing product (but not the status-enhancing product). That is, high-HC individuals had higher recognition for incongruent information. We argue that prosocial goals activated by the product description led high-HC participants to individuate more.

In experiment 2, participants recalled events associated with exercises of either personalized or socialized power. Subsequently, they received messages about a known brand (McDonald's). We measured attention and memory for attributes congruent and incongruent with the McDonald's stereotype of unhealthiness and convenience. Results showed that individuals high (vs. low) in HC, after being primed with socialized power, were more likely to emphasize the incongruent attributes when writing a product review about McDonald's and had higher recognition for these attributes. We argue that helping-others goals activated by high HC participants after being primed with socialized (and not with personalized) power led them to individuate more. In contrast, participants high (vs. low) in VI stereotyped more after being primed with personalized power. They emphasized more congruent (relative to incongruent) attributes when writing a product review about McDonald's. In addition, they were the only ones who showed an advantage in recognition of information congruent with McDonald's stereotype.

Finally, experiment 3 followed a similar procedure to experiment 2, but used alternative power primes. The same pattern of results from the previous experiment emerged using new power primes. Furthermoe, the results were contrasted with a control (no power) condition in which the stereotyping and individuating effects were absent. In summary, this research addresses the information processing strategies used by individuals with different cultural orientations in consumer settings that make power salient. It highlights the important role of culturally-nurtured associations with power for determining the effects of power primes on basic cognitive processes. Ultimately, a focus on the distinction between personalized and socialized power goals can enhance our understanding of the role of power in consumer behavior. We discuss consequences for consumers' judgments, preferences, and influence attempts.

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# How Stock Prices Influence Investment Behavior

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## SESSION OVERVIEW

Prices are commonly assumed to reflect the value or utility of a good or service. Similarly, modern asset pricing theory assumes that, in the stock market, share prices reflect the value of a firm. We consider prices in terms of other information they convey in a stock investing context. These three papers find that the shifting price level of a stock, rather than serving as a merely passive indicator of changes to underlying value, is often taken as a dynamic signal. This session investigates how this price signal can lead to a variety of consumer judgments, inferences, and behaviors.

The first paper, by Jung Grant, Xie, and Soman, examines how consumers use reference prices to evaluate their stock portfolios and how those reference prices get updated. In the second paper, Gal investigates the influence of a stock's nominal price level on the stock's price response to news events and other information. The third paper, by Raghubir and Das, examines how the graphical display of stock price information affects assessments of risk and return.

The proposed session integrates three distinctive approaches to understanding how share price is perceived in the stock market setting. The papers draw on evidence from laboratory experiments and empirical data. This symposium offers an opportunity for scholars interested in behavioral finance to discuss the implications of the current findings as well as for consumer researchers to consider pricing in a new context.

## EXTENDED ABSTRACTS

### "Asymmetric Updating of Reference Prices"

*Susan Jung Grant, University of Colorado, Boulder*
*Ying Xie, Washington University*
*Dilip Soman, University of Toronto*

This research seeks to understand how a pattern of price fluctuations of a given stock holding alters the way reference prices are updated. Instead of comparing stock performance strictly to a stable reference price, such as initial purchase price, investors have a tendency to "reset their reference price" on a frequent basis (Thaler 1999).

In this research we examine how stock performance history influences investors' tendency to update. In particular, we consider two performance contexts–one in which the stock rises but then breaks even with the initial level of investment and a second in which the stock falls but again breaks even. Because the two contexts we have selected are economically equivalent, the investor should assess his outcomes comparably. However, we find an asymmetry to the extent that investors report feeling significantly worse in the first sequence than in the second.

We explore two theories to explain this asymmetry: 1) differential counterfactual availability and 2) a level-of-ownership bias. Counterfactual theorists suggest that negative affect enhances the availability of more positive alternatives (Roese and Hur 1997). Therefore, looking retrospectively at the stock's zenith, investors may kick themselves with the upward social comparison: "If only I had sold my stock at that point." According to the counterfactual literature, people are less likely to invoke negative comparisons. Therefore, with the second sequence, investors may not consider the downward social comparison: "What if I had sold at the low?" Thus, there is no updating when stocks recover after reaching a low.

Despite the intuitive appeal of the counterfactual account, we find evidence that the asymmetry is not due to the differential invocation of counterfactuals. Instead our data indicate that investors feel a higher level of involvement with gains and greater ownership for a stock that achieves a record high. Research from the behavioral finance literature provides a starting point for this hypothesis. For instance, the ostrich effect suggests that investors are more engaged in their stock when it is performing well than when it is performing poorly (Karlsson, Loewenstein and Seppi 2004). These investigators find that investors choose to be less informed about their portfolios when they anticipate losing money but seek out definitive information about the value of their portfolios in rising markets.

In Study 1, we asked investors and gamblers how they felt about their investment outcomes based on a chart showing their stock rose but dropped back to the original level over 10 periods or a chart showing their stock dropped but rose back to the original level over 10 periods. The investors whose stock followed the first sequence reported updating their reference prices significantly more than investors whose stock followed the second sequence. The gamblers, however, updated no more than investors whose stock broke even after reaching a low. This suggests support for the ownership hypothesis. We find that investors and gamblers had the same level of negative affect, however, which suggests that differential availability of counterfactuals was not driven by the impact of negative affect. If the counterfactual account were operative, we should have observed worse-off feelings among investors but not among gamblers, which we did not.

In Study 2, we employed the same patterns of stock performance with investors as in Study 1 but measured investor reactions after each of the 10 periods of stock performance results. Again, we found that investors whose stock followed the first sequence reported by the end feeling they were worse off than when they started, whereas investors whose stock followed the second sequence said by the end they felt they were no worse off but also no better off. This result replicates our previous finding, which we interpret as further support for our hypothesis that reference prices are updated when investors observe a rise followed by a drop but not when investors observe a drop followed by a rise.

We also varied whether investors could monitor their stocks by providing an informational table that tracked the weekly performance or not. We found that when the stock was on the decline, investors felt significantly worse about their stock performance if they had no informational table than if they did. This held true regardless of whether the pattern of stock prices dropped after reaching its record high or before reaching its record low. This suggests that the table grounded investors in the reality of their stock's performance but that without the table, investors exaggerated their sense of loss. In contrast, investors with or without a table reacted consistently when the stock price was on the rise–regardless of whether the pattern of stock prices rose after reaching its record low or before reaching its record high.

In a third study, we explore whether similar asymmetries in reference price updating extend to a consumer pricing context. We

found consumers who observe a series of increasing gas prices (coded as a loss) are less likely to update their reference price than consumers who observe a series of decreasing gas prices (coded as a gain). This result mirrors the effect we observe for stock prices and corroborates our hypotheses.

This research not only provides some insight into a phenomenon that impacts how investors may react in response to market fluctuations, but it also proposes an explanation for the tendency that investors have of selling "winners" in the portfolio while maintaining "losers." When investors observe a rise in the performance of their stock, they perceive the stock as theirs and have a strong desire to pocket the money. However, when investors observe a decrease in performance, they are less likely to perceive the stock as theirs and are inclined to leave the money in play. This explanation is posited as a complement to other existing explanations for selling "winners" and maintaining "losers" (Odean 1998).

### "Stock Price Level and Price Response"
*David Gal, Northwestern University*

Modern asset pricing theory assumes that investors determine a company's value based solely on their expectations for the company's future earnings, and their individual preferences for risk and time. Thus, the nominal price of a share of a company's stock is considered a merely cosmetic variable, with no influence on a company's valuation. For instance, it is considered immaterial whether a company valued at $1 Million is comprised of 10,000 shares of stock priced at $100 or of 100,000 shares of stock priced at $10 (barring microstructure considerations).

This paper, however, posits that nominal share prices will have a significant impact on stock values, and, particularly, that stocks with nominally cheap share prices will be more impacted by events and information than those with nominally expensive share prices. This proposition derives from the hypotheses that (1) investors are likely to use the nominal price of a share of a company—not just the market value of a company—as a proxy, or reference price, for the share's value; and (2) investors are likely to be sensitive to absolute—not just relative—differences in share prices.

For example, assume that, due to new information, an investor decides she is willing to pay "a little more" for a stock than its current price. If she (1) uses the nominal price of a share as her reference price and (2) is sensitive to absolute differences in the price of a share, then she will likely translate "a little more" into a larger percentage increase in price if the stock she is evaluating is nominally cheap than if it is nominally expensive. For instance, "a little more" than $2 may translate into $3 (a 50% increase), whereas "a little more" than $100 may translate into $110 (a 10% increase).

The first study employed a 2 (nominal price: cheap vs. high) X 2 (information valence: positive vs. negative) between-subject design. Experimental participants were provided with the initial nominal price of a hypothetical stock and a new piece of either positive or negative information about the stock. Based on this new piece of information, participants were asked to provide their evaluation of what the stock should be worth. Consistent with predictions, participants determined that the stock should be worth *more* (in percentage terms) in response to positive information and *less* (in percentage terms) in response to negative information when its shares were nominally cheap than nominally expensive. That is, the nominally cheaper stocks manifested a more pronounced reaction to *both* positive and negative information.

The second study analyzed stock price volatility by price level for all stocks listed on the NYSE, AMEX, and NASDAQ stock exchanges between 1972 and 2003, with volatility measured monthly for each stock as the standard deviation of daily price changes. In order to control for market value, I first sorted the stocks into deciles by market valuation, and then sorted stocks into deciles by price level within each of the market valuation deciles. Thus, I obtained 10 different price level deciles for each of 10 different size deciles. Consistent with predictions, I observed that within each of the 10 size deciles, stock price volatility increased as price level decile decreased. The effect of price level decile—from lowest to highest—on volatility was highly significant in all ten size deciles. Additional analyses ruled out alternative market microstructure explanations for these findings.

The third study analyzed the stock price response to positive and negative earnings announcements by price level for all stocks listed on the NYSE, AMEX, and NASDAQ stock exchanges between 1972 and 2003 that had matching earnings announcement date data in the COMPUSTAT database. An earnings announcement was considered positive if the stock price increased in the three day window around the announcement date and negative otherwise. As in Study 2, stocks were sorted into deciles by market valuation and then into deciles by price level. Consistent with predictions, the price response to positive earnings announcements was more positive, and the price response to negative earnings announcements was more negative, as price level decile decreased. This effect was significant in all ten size deciles.

The findings described in this paper bear several implications. First, the significant influence of nominal price, a transparently cosmetic variable, on a company's market value casts doubt on the modern asset pricing theory assumption that each stock has a unique true value. Instead, these findings suggest that investor psychology cannot be disentangled from a stock's true value, but that investor psychology is *inherent* to asset prices. Second, the support obtained for the notion that individuals are sensitive to absolute as well as to relative differences in prices (and that this effect does not depend on share-of-income as assumed by classical choice theory), suggests that price elasticity of demand will be greater for more expensive goods than for cheaper goods, independent of any share-of-income effect.

Third, and perhaps of broadest interest to consumer research, investors' use of a share as a proxy for a company can be thought of as a manifestation of the more general situation in which consumers can use a part of a good as a proxy for evaluating a whole good. It is likely that a part or unit of a good is often more accessible and easier to manipulate mentally than a whole good, and, thus, that similar effects to those observed in the context of stocks in this paper may extend to many consumer contexts.

### "Processing Graphical Information: Perceptual Illusions of Risk and Return"
*Priya Raghubir, University of California, Berkeley*
*Sanjiv Das, Santa Clara University*

Individuals' financial decisions are amongst the most important decisions they make. They frequently use graphical data to make such decisions. This paper examines how consumers process graphical information as a function of their mode of presentation. Prior literature suggests that the choice of a sample point is a function of its salience (Raghubir and Krishna 1996). Applying this idea to the domain of graphical data of financial returns, we propose that investors need to *i)* identify trends over a period of time; and *ii)* identify the extent of noise around the trend line. The former (trend estimate) is a proxy for the average return (mean) of a stock, and the latter (noise estimate) is a proxy for the risk of the stock. The trend can be estimated by using the starting and ending points of a series. The noise can be estimated by choosing a sample of prices between these two points. This sample could be biased if the prices surround-

ing a point change its likelihood of being sampled. The mode of presentation of information systematically affects the price points that will be sampled and used to make financial judgments.

The different aspects of mode of presentation that are examined include: digital versus graphical information (Studies 1 and 2); X-axis choices (Studies 3, 5, and 6), presence of reference indices that follow or diverge from the target stock (Studies 4, 5 and 6), and the salience of local maxima and minima (Studies 7-9). Across studies, results converge to a theory that consumers process visual graphical information by sampling salient data points to assess the trend and noise of a price series. This leads to systematic biases in the estimates of risk and return of different graphs that are equivalent in terms of their information content. Theoretical implications for the processing of visual and financial price information, and practical implications for the communication of financial products and consumer welfare are discussed.

Specifically, Study 1 shows how the presentation of stock prices as a series of digital numbers versus a visual graph leads to different choices between pairs of stocks that have the same mean return. This leads to choice reversals when given digital numeric versus visual graphical data that range from 27% of the group to as high as 51%.

Study 2 shows that when identical information about the S&P index is presented digitally in tabular format (showing returns for the last quarter, last 1 year, 3 years, 5 years and 10 years for the S&P 500 index versus 11 other indices), the mere presence of graphical information about the historic performance of the S&P (provided prior to the table, after the table, or not provided at all) affects the estimated return for the index in the following year. Presenting the historical graph prior to the table significantly increases estimated return.

Study 3 examines how the manner of presentation of graphical information through the choice of X and Y axes affects perceptions of risk and the estimate of return. While Y-axis effects are contingent on expertise with financial markets, the effects of the X axis (e.g., the length of time for which historic data is provided) are robust. The longer the period for which data is provided in markets that have been rising the higher the estimates.

Study 4 examines how the perception of risk of a stock presented using a line graph is affected by the presence of a reference graph. We presented the last one year's data on the NASDAQ composite index with either a 50-day moving average line which followed the original data but smoothed it out or a 200-day moving average line that increased the perceived variance of the stock from the average. The NASDAQ was perceived to be a worse investment when presented with a 200-day moving average.

Study 5 presenting information about the Dow (for 1, 3 and 5 years) with or without the presence of a reference S&P index replicated Study 3 effects for the X-axis in a domain where the stocks had not been rising: the greater the period for which information was presented, the greater the estimated return of the Dow. It also replicated Study 4 effects showing that the presence of a reference index (that diverged from the Dow by trending up as opposed to following its pattern) affected the forecast for the Dow.

Study 6 using the natural experiment of the NASDAQ index with or without Dow and the S&P over a period of 1 year, 5 years and since inception to show that when indices track the target stock, their trends are assimilated into judgments, and when they diverge from the target stock they are used to contrast the target. Either way, their presence or absence systematically affects the manner in which people estimated the risk and return of graphical information.

Finally, a set of three studies (7-9) examine the effect of run length. The run length of a stock is the number of consecutive periods over which a stock continues its upward or downward movement. Run length affects price extrema: the longer the run length of a stock, the greater the price extrema, controlling for the statistical moments of returns. If people anchor on the local maxima and minima, then stocks of longer runs with higher local maxima and lower local minima may be perceived to be more risky than stocks of shorter runs. Three studies test the hypothesis that a stock with a longer run length is perceived as riskier than one with a shorter run length with the same start and end points, and identical mean, variance, skewness and kurtosis of returns.

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## Symposia Summary
# Considering the Alternatives: Cognitive Mechanisms Underlying Choice Processes
### Karim Kassam, Harvard University, USA

## SESSION OVERVIEW

In today's society, choice pervades every aspect of our lives, and the number of alternatives is staggering. Recent research has shown that consumers' reactions to a given decision outcome depend significantly on the number of alternatives: Rather than boost confidence and raise satisfaction, large numbers of alternatives end up making us less convinced of our decisions and less happy with our outcomes.

Though this phenomenon is well established, less is known about the psychological processes underlying these effects. The present symposium investigates different cognitive mechanisms relating to both the selection of and the reaction to different set sizes to understand how, why, and when increasing the alternatives will reduce consumers' well-being. This knowledge of the cognitive mechanisms will allow researchers and marketers to make informed predictions of what a consumer might do or how she might feel in any given situation.

In the first presentation, Lee and colleagues investigate how adaptation leads to the selection of choice sets of varying size. Hedonic adaptation to changing surroundings is a well-established phenomenon, and how we adapt may have important consequences for how we subsequently choose. Their studies suggest that adaptation to one's own physical attractiveness has implications for the partners that one seeks. Specifically, they find that less attractive people consider a larger pool of potential mates, but place less weight on attractiveness when making selections. The results indicate that adaptation can be an important factor in set size selection.

Next, Botti and colleagues explore how the extent of cognitive elaboration on the choice-set options interacts with set size to influence the choice-making experience. Elaboration has previously been shown to have beneficial effects on choice, leading to greater confidence; however, relative to a limited set, elaborating on an extensive set reduces positive affect. Taken together, these two effects pose a dilemma to consumers confronted with extensive choice: While elaborating on their options will diminish their positive mood, failing to elaborate will diminish their confidence in the outcomes they choose. This paper also investigates a possible solution to this dilemma: preference learning through repeated choice from the same set maintains a high level of confidence while at the same time reducing the need for elaboration and the associated negative influence on affect.

Finally, Kassam and colleagues examine how rationalization affects consumers' satisfaction after a choice is made. The paper suggests that increasing the number of choice-set alternatives impacts happiness by hampering our ability to rationalize. The process of rationalization involves shifting our perspectives on a situation in such a way as to present it in a more positive light, and frequently depends on favorable comparison with alternatives. They find a non-linear relationship between satisfaction and number of alternatives. When the number of alternatives is small, comparison is easy and people are happy. With moderate numbers of alternatives, comparison maintains its allure but loses its effectiveness, and people end up less happy. When the number of alternatives is very large, people don't attempt comparison and instead rationalize in other ways. Though large numbers of alternatives are detrimental during the process of choice, moderate numbers may actually result in less happiness after the fact.

*Potential Audience*. Researchers interested in consumer judgment and decision making, in choice theory and alternatives, or in the effect of choice-set size on product perception and preference. The three papers should also be of interest to marketing practitioners because they provide a more detailed explanation of how set size impacts consumer satisfaction which can be used to make predictions of consumer behavior in natural environments.

*Providing a Bridge*. The importance of set size when examining satisfaction from choice has recently been established in a variety of domains, but little is known of the cognitive mechanisms underlying these effects. In studying these mechanisms, we aim to provide a more detailed account of the phenomenon that can be used to more effectively predict consumer choice and satisfaction. In making this connection between theoretical psychology and marketing practice, we are aided by the diversity of perspectives of our contributing authors, which include academics in psychology, marketing and management, as well as practitioners from industry.

## EXTENDED ABSTRACTS

### "If I'm Not Hot, Are You Hot or Not? Attractiveness Adaptation and Dating Preferences"
*Leonard Lee, Columbia University*
*George Loewenstein, Carnegie Mellon University*
*Dan Ariely, MIT*
*James Hong, HOTorNOT.com*
*Jim Young, HOTorNOT.com*

It is well established that people adapt to diverse circumstances, such as chronic health problems and low income, quickly reporting roughly similar levels of happiness to those in more objectively advantageous situations. Such 'hedonic adaptation' serves important functions, increasing the motivation to change what can be changed and decreasing the motivation to change what cannot be changed. If the "why" of adaptation is relatively well understood, the "how" is much less well understood; there has been relatively little research into the psychological processes that support adaptation. For example, do people adapt to a lowered income by cultivating inexpensive hobbies and tastes, by persuading themselves that their income isn't, in fact, low, or by simply deciding that income isn't very important in the scheme of things? As the question suggests, different possible mechanisms can support hedonic adaptation.

In this work, we examine adaptation to one of the most important dimensions on which people vary–physical attractiveness. Specifically, we investigate whether individuals' own physical attractiveness affects the number of potential mates they see as viable, as well as their perception of the attractiveness of others.

It should not take much persuading that beauty is highly valued in our society; physically attractive people are not only popular romantic targets but also benefit from a 'halo effect', whereby they are seen as possessing a wide range of other favorable traits and personal qualities such as social and intellectual competence. If beauty is considered a benefit, then one benefit of beauty is the capacity to bond with others who are also beautiful. Studies of assortative mating find very strong correlations between the attractiveness of dating and marital partners. The phenomenon of assortative mating raises the question of how people adapt to the attractiveness of individuals they may marry. Do people adjust their

aspirations for whom they will accept as dating or marital partners based on their own attractiveness? If so, do they adjust their perceptions of the attractiveness of those potential partners? Or do they assign different importance weights to the various desirable qualities in their prospective partners?

In Study 1, based on the analysis of three unique datasets from HOTorNOT.com, we found that the attractiveness of decision makers does impact their likelihood of dating another individual: less attractive people tend to be less selective in the rated physical attractiveness of potential dates. However, the results also suggest that, whereas people tend to give higher attractiveness ratings to others who are judged to be more attractive by other individuals (and males, in particular, tend to give higher ratings), people, regardless of how attractive they themselves are, seem to judge the attractiveness of others in similar ways. With almost 450,000 observations, the latter result is rather stunning; if there was any connection between own-attractiveness and the perceived attractiveness of others, we should have ample statistical power to detect it. Thus, overall, the results from analyzing the HOTorNOT data sets in Study 1 imply that, whereas less attractive people are willing to accept less attractive others as dating partners, they do not delude themselves into thinking that these less attractive others are, in fact, physically attractive. There is no evidence of adaptation at this level.

Yet, possibly, adaptation could take other forms. Perhaps, instead of wearing a different pair of lens when judging the attractiveness of others, people of different physical attractiveness levels might instead vary the importance they place on different desirable attributes in their romantic partners. Drawing from cognitive dissonance theory, we hypothesize that people might adapt to the unlikelihood of attracting a more physically attractive partner by placing less weight on physical attractiveness and more weight on other attributes such as intelligence and sense of humor. To test this hypothesis, we ran a speed dating event in Study 2 where participants were asked to (1) complete a short survey in which they indicated how much they weighed each of six criteria (physical attractiveness, intelligence, sense of humor, kindness, confidence, and extroversion) when selecting a potential date prior to the speed dating event; and (2) rate each participant whom they speed dated on his or her physical attractiveness during the actual event. Correlation analyses between the participants' own-attractiveness and their self reported standardized weights for each of the six criteria revealed that less attractive people tend to place less weight on physical attractiveness in date selection and greater weight on other non-attractiveness-related attributes such as sense of humor.

The results of Studies 1 and 2 highlight one plausible mechanism underlying hedonic adaptation: when faced with a range of options (e.g. potential partners) or life situations (e.g. states of health) of varying (objective) hedonic value, instead of adopting a "sour grapes" mindset and deluding themselves that what is unattainable isn't as great as what it looks, people divert their focus to the merits of options that are attainable to them. Such motivated changes in dating preferences not only supports hedonic adaptation, but also increases the pool of potential mates, reducing the likelihood that physically unattractive people will end up without partners, and supporting assortative mating. Much like the famous line from a Crosby Stills Nash and Young song, people find a way to love the one they are with.

**"Thinking Deeply: The Affective Costs of Elaborating on Too Much Choice"**
*Simona Botti, Cornell University*
*Sheena S. Iyengar, Columbia University*

As consumers, we are often confronted with abundant choice, from the many options we encounter on a trip to buy groceries to the hundreds of options we encounter on a trip to the mall. In response to this explosion in choice, a growing body of research has found that the provision of choice can elicit a host of undesirable effects, such as lower satisfaction with the decision outcome and more negative affective responses (Botti and Iyengar 2006). However, there has been little research on how the size of the choice set interacts with additional factors to produce these effects. In the present studies we address this issue by examining the moderating role of elaboration, an effortful mode of cognitive processing marked by thoughtful analysis and a thorough scrutiny of the options. We propose that, although elaboration enhances confidence in the chosen outcome, elaborating on extensive options worsens choosers' affective response to the decision process. This negative effect of elaboration is however tempered when consumers repeatedly choose from the same sets as the amount of elaboration is reduced by learning.

Research has found that positive affect is generally enhanced by the act of choosing (Taylor and Brown 1988) but it is worsened by the increased elaboration associated with cognitively difficult tasks and emotionally difficult trade-offs (Garbarino and Edell 1997; Luce 1998). Building on prior research showing that choosing from larger, as opposed to smaller, choice-sets is more cognitively and emotionally challenging (Iyengar and Lepper 2000) we hypothesize that consumers who choose from abundant options will experience lower positive affect than those who choose from limited options.

As a preliminary investigation of this hypothesis we conducted a pre-test in which participants chose a restaurant from either a larger (30) or a smaller (10) list of restaurant advertisements. The advertisements included the restaurants' name and location; their Zagat ratings for food, décor, service, and average cost; and the written reviews of the restaurants from Zagat and City Search. To measure the extent to which participants elaborated on their options we asked them to list all the features that they took into account when making their choice; we then coded these features as either salient or non-salient attributes, where salient attributes (i.e., Zagat ratings and average price) were easier to discern and compare than non-salient attributes (i.e., style of décor and type of clientele). We expected that whereas participants at all levels of elaboration would utilize salient attributes, participants at high levels of elaboration would be more likely to broaden their search and utilize non-salient attributes than participants at low levels of elaboration (Petty and Wegener 1998). Results confirmed these predictions: Increased reliance on non-salient attributes was associated with decreased positive affect for participants in the extensive choice condition. Conversely, the use of salient attributes did not differentially impact positive affect for participants in the two choice conditions.

Study 1 replicated these results by manipulating the extent of both choice and elaboration and examined the effect of elaboration on decision confidence. This effect is particularly relevant because prior research has shown that elaboration enhances consumers' confidence (Cialdini, Petty, and Cacioppo 1981) posing a dilemma to consumers confronted with extensive options: They can mitigate decreased confidence in their choice by elaborating while they choose—but only at the expense of their positive mood. As in the preliminary investigation, participants in Study 1 chose a restaurant from either a limited (15) or an extensive (45) set of options. Extent

of elaboration was manipulated by using time constraints so that participants had either a limited (3 minutes) or an extended (15 minutes) amount of time to make their choice. To check this manipulation, we asked participants to describe their thought process during the decision task and coded these thoughts to measure the extent to which participants both relied on non-salient information and confronted trade-offs. This manipulation check confirmed that, relative to those in the limited time condition, participants in the extended time condition were more likely to consider non-salient features and to weigh trade-offs when making their choice. Results show that, as predicted, in the high elaboration condition participants experienced lower positive affect when choosing from an extensive as compared to a limited array; this difference was however not significant in the low elaboration condition. In addition, participants who had ample time to elaborate on their options felt overall more confident in their choices than participants who had little time to elaborate.

These two effects suggest a double bind for consumers facing extensive choice: While elaborating on a large number of options may diminish their positive mood, failing to elaborate may diminish their confidence in the chosen outcomes. Study 2 solved this dilemma by looking at situations that can mitigate the negative effects of elaboration on positive affect. Prior research has shown that preference learning reduces the amount of elaboration required to make a choice (Alba and Hutchinson 1987) but not the level of decision confidence (Chernev 2003). Hence, if consumers faced with larger choice sets were given the possibility to learn their preferences they might still enjoy decision confidence while at the same time avoid the emotional suffering associated with elaboration. In Study 2 preference learning was achieved by having participants make repeated choices from the same sets over a period of two weeks. Participants were asked to select ten consecutive songs from the same list of either a limited (30 songs from 10 albums) or an extensive (300 songs from 100 albums) number of unfamiliar mp3 music files. Results show that, as predicted, choice repetition decreased the amount of time and the extent of elaboration, and increased perceived expertise. As a result, both decision confidence and positive affect increased in the extensive choice condition, causing participants faced with a larger choice set to be more confident and happier with their choice than those faced with a smaller set.

### "Stuck in the Middle: The Effect of Number of Alternatives on Adaptation to Outcomes"

*Karim S. Kassam, Harvard University*
*Carey K. Morewedge, Carnegie Mellon University*
*Daniel T. Gilbert, Harvard University*

We tend to go through life with fewer regrets than an objective observer might imagine. Not everyone is admitted into their preferred college, we may not get the job we really want, and the beautiful woman we ask on a date may well say no, but in the end we love our alma maters, are happy with our jobs and can't imagine having married anyone else. Research suggests that one reason for our ability to adapt to any situation is rationalization. We rationalize automatically and unconsciously, even when it seems there's no way to construe the facts to make a horrible failure look like an incredible victory.

One way that people create satisfaction with their outcomes is by favorably comparing those outcomes to their alternatives. By focusing on positive aspects of a given outcome and negative aspects of alternative outcomes, we are able to frame the situation in the best possible light. Consumers use comparison to make their selections look better than the alternatives (Brehm, 1956), voters

use comparison to make the election winner look better than other candidates (Beasley & Joslyn, 2001), and high school seniors use comparison to make colleges that have admitted them look better than those that haven't (Lyubomirsky & Ross, 1999).

Though are abilities to adapt to even extreme situations are formidable, there are factors that can slow the process. The reliance of rationalization on comparison suggests one such factor. Comparing two outcomes is relatively straightforward, but as the number of outcomes increases comparison quickly becomes difficult or impossible. When the set of alternatives grows from small to moderate, the number of pair-wise comparisons necessary to establish that a given outcome is best may overwhelm our psychological abilities and thus hinder adaptation. When the number of alternatives gets very large, direct comparison quickly becomes impossible. We might not be able to keep ten or more possibilities in mind, let alone compare them. Taken together, this suggests a non-linear relationship between number of alternatives and happiness. Both very small and very large numbers of alternatives may result in positive affect changes that are not seen when a moderate number of alternatives is considered. While we might expect hedonic adaptation to proceed similarly regardless of the number of alternatives, both the underlying mechanisms and the results may change when alternatives go from few to moderate to many. We conducted three studies which provide evidence for this non-linear relationship.

In Study 1, we compared participants who knew the alternative to the prize they won, to those who knew the alternative comes from a set of four possible alternatives, and those who had no knowledge of the possible alternatives. All participants won the same prize, the best in the set. Those unable to make the comparisons are likely to be less happy. In addition, those with no knowledge of potential alternatives were expected to rationalize other than by comparison, and thus become relatively happy. Participants were least happy when they compared the prize they won to a moderate number of alternative prizes (i.e., four other prizes). In other words although all participants won the same prize, those who saw a single, salient alternative to the prize they won, and those for whom the alternative could have been anything were significantly happier than participants who knew the alternative was from a moderate-sized set.

Study 2 extended the results and provided an even stronger test of our hypothesis. All participants saw the entire set of prizes, and all won the prize they had previously ranked lowest. Subsequently, after winning the worst prize, some participants saw that the alternative to the prize won was the prize they had ranked next-to-last in the pre-ranking. These participants were objectively in the best situation, they may not have won the prize they wanted, but the prize they almost won was similarly undesirable. Others saw that the alternative to the prize won was the prize they had ranked highest in the pre-ranking. These participants were objectively in the worst situation, not only did they win the worst prize, but the prize they almost won was the prize they wanted most. A third group knew only that the alternative was one of a set of four possible prizes. Even though all participants won their lowest ranked prize, those who saw a single, salient alternative were significantly happier than those who knew the alternative was from a moderate-sized set. Interestingly, this difference persisted even for those who had almost won the prize they wanted most, i.e. those faced with the most difficult comparison.

Study 3 provided further support for a non-linear relationship. Participants pre-ranked a set of twenty possible prizes, and all won the prize they had rated lowest. Some participants saw a small number of alternatives (two), others a moderate number (four), and others a very large number (nineteen). Once again, even though

everyone won the worst prize, those who saw the prize together with a moderate number of alternatives were significantly less happy than those who saw it together with either a very small or very large number of alternatives.

Our abilities to rationalize outcomes have a profound affect on our well-being. Whatever we choose, we find reasons after the fact suggesting that whatever we ended up with was for the best. Though these abilities are formidable, the present research suggests that they are also vulnerable. Comparison may be a favored method of rationalization, but in cases where there are a moderate number of alternatives, comparison becomes difficult while maintaining its allure. That difficulty limits our ability to adapt and consequently limits our happiness.

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# Real Consumers Have Curves: The Effects of Body Esteem and Weight on Consumer Responses to Marketing Stimuli

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## SESSION OVERVIEW

This session includes three papers that seek to understand how body issues, such as consumer weight and body esteem, impact consumer responses to marketing stimuli, such as advertising, package design, and retail atmosphere, as well as consequent consumption behavior. Approximately 59% of Americans (www.census.gov) and 40% of Europeans (www.epha.org) are overweight or obese. Furthermore, self-esteem and body esteem can be important factors in determining happiness (Baumeister et al. 2003; Cheng and Furnham 2004) and subjective well-being (Paradise and Kernis 2002). In these three papers, we find that consumer weight, body esteem, and dieting behavior can interact with marketing variables in several interesting and unexpected ways. By bringing together these three papers and the discussant, we expect that this session will enhance our understanding of how body issues impact responses to marketing stimuli and consequent consumption behavior.

Each of these papers examines a different aspect of this question. The first paper examines the effects of consumer body weight on responses to media images in advertisements, focusing on the impact of media exposure on consumers' self-esteem. Furthermore, this paper investigates the impact of the resulting shift in self-esteem on consumption behavior, as well as dieting and fitness intentions. The second paper examines the effects of chronic dieting behavior on responses to packaging, focusing on how the consumption behavior of dieters and non-dieters is affected by package size. The third paper explores the effects of body esteem on shopping behavior, focusing on approach/avoidance behavior in retail stores and preferences for store décor. By understanding the role these factors play in consumers' decisions, marketers can better cater to their customers' needs. In addition, an understanding of how weight interacts with marketing stimuli (such as responses to media images and package size) can lead to important public policy recommendations and help consumers better manage their behavior, likely leading to improved body image and self-esteem.

The first paper, co-authored by Smeesters, Mussweiler, and Mandel, examines how body weight changes consumers' responses to media images. Specifically, the paper examines how advertisements containing thin and/or heavy models influence the self-esteem of overweight and underweight consumers. In three studies, the authors find that underweight consumers' self-esteem shifts upward while overweight consumers' self-esteem shifts downward when they are exposed to any models, regardless of whether the models are thin or heavy. The results are explained in terms of differences in the two groups' comparative processes. The authors find that shifts in self-esteem have implications for consumers' consumption behavior, as well as their dieting and fitness intentions.

The second paper, co-authored by Scott, Nowlis, Mandel, and Morales, examines how dieting impacts consumers' responses to packaging. Across three studies, these authors demonstrate that dieters consume more calories from diet-sized packages compared to regular-sized packages, while non-dieters consume fewer calories from diet-sized packages compared to regular-sized packages. In addition, they demonstrate that even though dieters know they

will overeat the diet food, they are unable to prevent the over-consumption without the assistance of external cues.

The third paper, by Miller, examines how body esteem affects consumers' responses to retail environments. This paper examines how consumers' preferences for different aspects of store design, such as brightness, are affected by body esteem. Results from a survey and an experiment indicate that consumers with low and high body esteem respond differently to salespeople, have different preferences for store décor, and have different motivations for shopping. Implications for better managing customer experiences are addressed.

At the end of the session, LJ Shrum will lead the discussion to integrate the individual presentations into a more general framework. LJ is an expert on the topic of media effects on consumer perceptions, as well as the cognitive processes underlying such effects. He will involve the audience members in a discussion in order to develop a more overarching understanding of how consumer body issues interact with marketing stimuli, as well as the potential managerial implications of the authors' findings.

Given the current interest in transformative consumer research topics, we expect this symposium to appeal to a significant portion of the ACR membership. In particular, we hope to draw people who are interested in research on advertising, packaging and/or retail effects, gender issues, social cognition, self control, and even public policy issues.

## EXTENDED ABSTRACTS

### "The Effects of Thin and Heavy Media Images on Overweight and Underweight Consumers"
*Dirk Smeesters, Tilburg University*
*Thomas Mussweiler, University of Cologne*
*Naomi Mandel, Arizona State University*

We examine how advertisements containing thin and/or heavy models influence the self-esteem levels of overweight and underweight consumers. Overweight individuals represent a significant and growing segment of consumers. If exposure to thin media images can result in low self-esteem and eating pathologies among average-sized women (Polivy and Herman 2002), it is possible that overweight women will be even more vulnerable to these effects. Furthermore, although underweight consumers comprise only 2% of the American population, they are often victims of eating disorders, and therefore might also be especially vulnerable to thin media images.

The success of Dove's Campaign for Real Beauty (which features full-figured models) suggests that viewing heavy or imperfect models will raise women's self-esteem, especially when the viewers are overweight themselves (Wasserman 2005). On the contrary, Smeesters and Mandel (2006) showed that, among average-sized women, exposure to moderately heavy models actually lowered self-esteem, rather than raising it. However, they did not examine the effects of such ads on overweight or underweight consumers. Moreover, our research contributes to the existing literature by offering a better understanding of how comparison processes occur when consumers are exposed to advertising mod-

els. In all studies, we concentrate on consumers' informational foci after exposure to an advertising model. Informational foci reflect the judgment of one's similarity or dissimilarity to a comparison other (Mussweiler, Rüter, and Epstude 2004). Shifts in foci determine which self-knowledge becomes accessible (Mussweiler 2003), thereby shifting the consumer's self-esteem, and ultimately his or her eating behavior, dieting, and workout intentions.

Our first study used a 3 (participant body mass index (BMI): low, normal, high) x 2 (size of the model: thin, heavy) x 2 (extremity of the model's size: moderate, extreme) between-subjects design. The results indicated that participants with normal BMI levels demonstrated higher self-esteem after exposure to moderately thin and extremely heavy models than after exposure to extremely thin and moderately heavy models, replicating Smeesters and Mandel's (2006) findings. For low BMI participants, exposure to all models led to a general high level of self-esteem compared to high BMI participants, for whom exposure to all models led to a general lower level of self-esteem. These results appear to be due to differences in comparative processes. Low BMI participants demonstrated a stronger similarity focus after exposure to thin models than after exposure to heavy models (regardless of extremity), while high BMI participants demonstrated a stronger similarity focus after exposure to heavy models than after exposure to thin models (regardless of extremity). These findings suggest that underweight consumers show higher self-esteem because they feel similar to thin standards and dissimilar to heavy standards, while overweight consumers show lower self-esteem because they feel similar to heavy standards and dissimilar to thin standards.

One of our most intriguing results was demonstrated in study 2. Low BMI and high BMI individuals started out with similar levels of self-esteem (as measured by a control, no-model condition), but after exposure to *any* models (thin or heavy), self-esteem increased for low BMIs and decreased for high BMIs. Importantly, the effects of one's own BMI and exposure to the models on self-esteem were statistically mediated by one's perceived (dis)similarity with the models.

The third study measured the effects of exposure to models on behavioral variables, such as cookie eating behavior, and dieting and fitness intentions. Normal BMI participants ate fewer cookies when demonstrating low self-esteem (i.e., after viewing moderately thin or extremely heavy models) compared to when demonstrating high self-esteem (i.e., after viewing moderately heavy or extremely thin models). In contrast, low BMI participants ate fewer cookies when exposed to heavy models than when exposed to thin models. Additional measures showed that this effect was mainly due to the fact that low BMI participants wanted to avoid becoming heavy in the future. High BMI participants ate fewer cookies when exposed to thin models than when exposed to heavy models. Additional measures revealed that this effect appeared because high BMI individuals felt more ashamed after being exposed to thin models, compared to heavy models. The results for dieting and fitness intentions followed the same pattern as those for cookie eating.

Our findings contradict the notion, suggested by Dove and others, that overweight individuals should have higher self-esteem after looking at heavy models than after looking at thin models. Therefore, we recommend that overweight consumers attempt to avoid looking at ads with *any* models, thin or heavy (perhaps by avoiding women's magazines). Furthermore, our research contributes to the literature by revealing which cognitive processes (i.e., informational foci) occur during social comparison in an advertising context, how these processes determine shifts in self-esteem, and behavioral responses (such as cookie eating, fitness and dieting intentions).

## "Do Diet Foods Make Consumers Heavier? The Effect of Reduced Calorie Packages on the Consumption Behavior of Dieters and Non-Dieters"

*Maura L. Scott, Arizona State University*
*Stephen M. Nowlis, Arizona State University*
*Naomi Mandel, Arizona State University*
*Andrea C. Morales, Arizona State University*

With obesity at an all-time high, many consumers are fighting this epidemic by dieting and buying diet foods to help them self-regulate (Hoch and Lowenstein 1991, Stunkard 1980). From food to cigarettes and alcohol, consumers attempt to ration their consumption quantities to exert increased control (Wertenbroch 1998). In response to consumers' demands for rationed portions, diet foods of varying sizes, calories, and packages have been introduced. For instance, in 2004, Kraft launched "100 calorie packs," miniature versions of snacks enclosed in small packages (Horovitz 2006), which sold over $100 million by 2005 (Thompson 2006). In this research, we investigate whether consuming smaller food morsels from such packages is an effective eating restraint strategy, particularly for consumers attempting to manage their weight. Our research questions are: 1) Do dieters consume fewer calories from a configuration of smaller food morsels in smaller packages or from a typical configuration of larger food morsels in a larger package?, and 2) How do perception and self-control influence the amount of food dieters and non-dieters consume?

Dieting is "the deliberate effort to combat the physiologically-based urge to eat in order to lose weight or maintain a reduced weight," (Fedoroff, Polivy, and Hermann 1997, 34). Non-dieters have a balanced response to internal and external stimuli (Nisbett 1968; Schachter, Goldman, and Gordon 1968), and use physiological cues as satiety indicators (Tom and Rucker 1975). Alternatively, dieters possess eating patterns consistent with obese individuals (Herman and Polivy 1975) and may be more responsive to external cues (Fedoroff et al. 1997). Therefore, it is possible that presenting dieters with reduced-calorie packaging may backfire, resulting in overeating or even binge eating.

Existing research suggests consumers eat more calories when presented with larger sized food than smaller sized food (Wansink, Painter, and North 2005, Geier, Rozin, and Doros 2006), and more calories from larger packages relative to smaller ones (Wansink 1996, 2004; Wansink and van Ittersum 2003). However, when dieting behavior is introduced, it is not obvious how consumers will respond. Our four studies provide evidence that while non-dieters consume fewer calories from diet food configurations, dieters consume more from them, when compared to non-diet configurations.

Study 1 was a 2 (food configuration: diet, regular) x 2 (dietary restraint: dieter, non-dieter) between subjects experiment (*N*=96). We operationalized food configuration to include diet food (eight small cookies distributed across four small packages) and regular food (four large cookies in one large package), with each configuration totaling 240 calories. We found that dieters consumed more from the diet food packages than from the regular food packages, while non-dieters consumed more from the regular packages than from the diet food packages. Furthermore, when examining the percentage of people eating the entire 240 calories, we found that dieters were more likely to eat everything in the package(s) when eating the diet food compared to the regular food, while non-dieters did the opposite, supporting the idea that dieters experience self-control lapses with diet food.

Study 2 was a similar design to study 1, but with either 200 calories of mini-M&Ms evenly distributed across four small bags (diet configuration), or 200 calories of regular-M&Ms in one large bag (regular configuration). Consistent with study 1, dieters con-

sumed more M&Ms (and were also more likely to eat the entire package) from the diet configuration than from the regular configuration, while non-dieters consumed more (and were more likely to eat the entire package) from the regular configuration than from the diet configuration. In study 3, we examined the effect of providing participants with nutrition information, such as the number of calories, on the package. We found that dieters dramatically reduced their consumption when they were given nutrition information on the diet packages, while the reduction was less marked when they were given nutrition information on the regular packages.

The purpose of study 4 was to examine whether the differences in behavior between dieters and non-dieters are due to perceptual differences or self-control differences between the two groups. We presented participants with one of the two food configurations at a time and asked them to estimate the caloric content. Among both dieters and non-dieters, the diet configuration was perceived to have significantly more calories than the regular configuration. This distorted perception of higher calories in diet configurations is consistent with extant theory, and helps non-dieters consume fewer calories overall; but for dieters, it is a trigger for self-control failure, causing greater caloric intake. Study 5 is underway to examine the moderating roles of factors such as self-control depletion and hot/cold system activation on the effect of package configuration on eating behavior among dieters and non-dieters.

Many diet plans encourage configurations of smaller food morsels in small packages to help dieters reduce their overall caloric intake. Our research provides some evidence that dieters overconsume these configurations and often experience self-control lapses with them, which might explain why these products are so profitable for firms. Therefore, dieters may be better served by avoiding such diet configurations when attempting to lose weight.

### "Body Esteem and Shopping Behavior"
*Elizabeth Gelfand Miller, Boston College*

In order to effectively build relationships with customers and to best manage customer experiences, marketers must understand the consumer characteristics that influence their responses to the store environment. While numerous researchers have highlighted the role of the physical environment in impacting relationship building (e.g., Bitner 1992) and the ability to create and maintain positive customer experiences (e.g., d'Astous 2000; Michon et al. 2000), fewer researchers have examined how individual personality traits affect reactions to the environment and shopping behavior more generally, even though such characteristics likely influence reactions to one's surroundings (Bitner 1992). Indeed, several researchers have highlighted the need to locate consumer characteristics which influence responses to and expectations about the environment (e.g., Babin and Darden 1995; Chen-Yu and Seock 2002; Turley and Milliman 2000).

One characteristic likely to affect consumers' responses to the environment and their shopping behavior more generally, particularly for high body-involving products (Rosa et al. 2006) such as clothing, is body esteem. Body esteem has been defined as a deeply held and generalized like or dislike of one's body (Rosa et al. 2006). Although body esteem has been previously linked to consumer purchase decisions (e.g., Ferraro, Shiv, and Bettman 2005), such inquiries have focused on how body esteem influences assessments of how products enhance or preserve personal well-being, the types and styles of products consumers favor, and responses to digital stimuli (Rosa et al. 2006; Rosa and Malter 2003), but not in-store shopping behavior. Given that mood has been identified as an important driver of retail experience (Gardner 1985) and that consumers with varying degrees of body esteem likely feel different

ambient levels of affect and arousal when considering social products, it seems likely that body esteem may be one characteristic which may explain individual differences in reactions to environmental stimuli as well as in shopping behavior more generally. In particular, given that "cool" store interiors–those which use colors with short wavelengths (Babin et al. 2003)–have been found to soothe and relax, while dark interiors often harm one's spirits and morale (Bellizi et al. 1983), I expect consumers with low and high body esteem to be differentially affected by such environments. Specifically, I posit that the environment could serve as a coping mechanism for low body esteem consumers, leading low body esteem consumers to show increased approach behavior in a light environment. I expect such effects will be moderated by the presence of pictures of models on the walls, as such images may heighten body dissatisfaction (Cafri et al 2005).

To test these hypotheses, I conducted a 2 (brightness: light, dark) x 2 (wall décor: pictures of models, pictures of landmarks) x 2 (body esteem: low, high) between-subjects experiment in conjunction with a larger survey to assess shopping preferences more generally (e.g., ideal shopping environment, general shopping enjoyment). Participants were presented with colored pictures of a hypothetical clothing store along with a brief written description and asked to rate their patronage intentions, purchase intentions, salespeople perceptions, store perceptions, and other measures related to approach / avoidance behavior. Body esteem was measured using the Body Esteem Scale (Franzoi and Shields 1984).

The results indicate that body esteem does influence shopping behavior. Those with higher body esteem reported higher levels of positive affect than those with lower levels of body esteem. Those with higher levels of body esteem were also more likely to try on clothes and more likely to interact with salespeople. However, there were no differences between these groups in their purchase intentions or levels of shopping enjoyment. Consistent with expectations, I also found that body esteem influenced preferences for store design and interacted with the environment to determine behavior. Consumers with low body esteem were more uncomfortable in a dark store, while those with high body esteem seemed to prefer dark stores. However, the relative preference low body esteem consumers felt toward a light store was mitigated when pictures of models were hung on the walls; consumers with low body esteem felt the most positive affect and expected to spend the greatest amount of time in stores that had a light feel with landmarks (non-people) on the walls. Finally, I found that consumers with low and high body esteem may have different motivations for shopping.

As a whole, the findings suggest that consumers with high body esteem may perceive the environment in terms of whether it aids or deters them from achieving their shopping goals, while low body esteem consumers may evaluate the environment more in terms of its ability to soothe already high anxieties. Consequently, the use of soothing colors and quiet music may be particularly beneficial for attracting low body esteem consumers. Moreover, high body esteem consumers appear more likely to browse in a store, while low body esteem consumers may only decide to enter a store if they are already committed to buying something. These findings suggest that when targeting low body esteem consumers, managers should focus more on enticing consumers to enter the store, while when targeting high body esteem consumers, managers should focus more on enticing consumers to buy (once in the store).

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# Symposia Summary
## Exploring The Evolving Terrain of Consumer-Generated Brand Content

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## SESSION OVERVIEW

Many studies have discussed how consumers create brand meaning in order to make sense of and align the product/service within their lives (Fournier 1998; Ritson and Elliot 1999). Besides these negotiation and (re)interpretation roles, recent studies have exposed consumer's ability to create original content for the brand. Although we have long noted a penchant for advertising parodies that make mockery of a brand and brand bricolage by counter-consumers (Handleman 1999), the recent trend is for brand-supportive activities that mimic marketing messages and strategies. Such content creation capabilities of brand community members sharing a passion and ethos for the brand have been especially noted (Brown, Kozinets and Sherry 2003; Schau and Muniz 2006). The "creative consumer" actively participates in the customization of product features and designs (von Hippel 1986, Moreau and Dahl 2005), refinements to packaging, and the generation of branded communications (Ives 2004). Web-based technologies that enable the creation and dissemination of branded content have fueled the creative consumer trend. Per media pundits, the ascendancy of empowered and passionate consumers as brand content creators is a marketplace reality that transforms the discipline of brand marketing at its core (Flight 2005).

Practitioners have been quick to recognize the likely power and benefits of consumer-created content. Interest in citizen marketing that takes the form of advertising message creation—so-called "homebrew ads", "folk ads", VCAMs (viewer-contributed advertising messages), or more generally, "open source" branding—has been especially strong. Most recently, mass market manufacturers Frito-Lay, Unilever, and Chevrolet have taken gambles in this arena by airing consumer-generated ads (CGAs) on the 2007 Superbowl and Academy Awards. Most firms, however, remain wary of the risk-reward trade-offs involved with consumer-generated content. Chevrolet's Spring 2006 campaign as a CGA first-mover gave a significant cause for concern, when invited consumers created anti-Chevy ads showcasing Tahoe's destructive role in the environment. While some firms now include token amounts of consumer-authored content in their own advertising, and others pursue controlled CGA experiments via venues such as Gore's CurrentTV, the full strategic leverage of consumer- generated content as an integral and systematic part of brand strategy has yet to be obtained.

Inarguably, management indecision centers on reservations concerning the nature and effectiveness of consumer-generated branded content, and uncertainty concerning the best tactics for this new phenomenon. For example, CGA presents a role reversal of sorts in the process of advertising creation and consumption. Consumers—who were once conceived as receivers of company-created messages, or, more recently, as active translators and co-creators of the meanings that these messages contain—now serve a new function as self-motivated originators of advertising content. Firm roles, too, are shifted. Firms are now becoming facilitators of the creation and/or dissemination of consumer-created messages. They are involved in filtering and selecting nationally-exposed CGAs. They are even becoming consumers of CGA content itself. Although potentially attractive and beneficial to business, these marketplace shifts bring new concerns and questions. Does CGA present a fundamentally different advertising paradigm, or does it operate to persuade in much the same way that fifty years of research on company-sponsored advertising has exposed? Do CGAs even possess the benefits of authenticity, credibility, and insight that managers assume they hold? How can a firm best design a CGA campaign to control the risk/reward tradeoff, assuming that company involvement does not deny the very benefits of CGA? Without a solid base of research, the rules of engagement in the new terrain of consumer-created content remain unknown.

This session addresses the pressing need for research on consumer-generated content by presenting three completed empirical investigations along three complementary perspectives. The paper by Schau and Muniz considers consumer content creators and the products of their efforts as the units of analysis. Leveraging netnographic information from the Firefox user community, Schau and Muniz ask: are consumers capable of creating branded content that resembles—in form, function, quality/professionalism, and intent—what we know of as traditional company created brand artifacts? The second paper by Brunel, Fournier and colleagues concerns viewers' responses to consumer-generated ads. Their multi-method inquiry includes (1) an experiment to contrast the effects of advertisements identified either as having been created by consumers or companies, and (2) a qualitative analysis of posted viewer responses to milestone CGAs (e.g., Superbowl and Academy Awards 2007) to probe persuasion processes in a natural viewing environment. Research by Berthon and Pitt provides an important third perspective: that of the firm as a potential collaborator in the process of consumer-generated content. A survey of 178 marketing managers illuminates practitioner awareness of, attitudes toward, and actions concerning the creation of message content by consumers. The authors developed a typology of firm stances on consumer-generated content in order to guide marketing strategy and research.

Our session closes with integrative comments and facilitation of audience participation from our discussant, John Deighton. Deighton offers invaluable perspective on the emergent CGA phenomenon through his experiences not only as editor of *JCR*, but also through his involvement in the development of cases on lead-user companies in the CGA space.

Collectively, the first-ever empirical investigations of CGA presented in this session, as extended through discussant and audience comments, provide not only a holistic perspective on the phenomenon, but a contextual one that considers synergies between and divergences from traditional advertising concepts and frames. It is our hope that these empirical studies provide some stakes in the ground that can service and guide future consumer research on CGAs.

## EXTENDED ABSTRACTS

### "Share the Brand: Communally-embedded Consumer Generated Content"
*Hope Jensen Schau, University of Arizona*
*Albert M. Muniz, Jr., DePaul University*

Studies have demonstrated that members of brand communities can create extensive brand content (Brown, Kozinets and Sherry 2003) and that the ascendancy of communally-embedded, empowered consumers is now a marketplace reality (Flight 2005).

Although several marketers have played lip-service to the idea of consumer-generated messages, and a number have included token amounts of user-authored content in advertising campaigns, few have made extensive efforts to include consumer-created content in their advertising strategies and campaigns. Part of the problem may center on uncertainty concerning the professionalism of the resulting advertising. Indeed, little work has examined how successful consumers can be in their advertising creation endeavors. In other words, what is the quality of consumer-generated content (CGC)? Are consumers capable of creating content that resembles, in form, function and intent, advertising? Can CGC rival and/or exceed the quality of firm produced brand content? Does CGC gain new persuasive traction simply by being consumer-created? Do the ideals of brand content shift with the emergence of consumer-generated brand content? Can CGC be successfully integrated into larger firm objectives, where brand content is harmoniously co-produced, as recommended by proponents of the new service-dominant logic (Vargo and Lusch 2004)?

In order to assess these issues, we investigate consumer-generated, commercially-centered artifacts in two brand communities and compare them to existing firm-produced brand content. We conducted a netnographic study (Kozinets 2002) of the Jones Soda and Mozilla Firefox brand communities. We employ naturalistic and participant observation within these communities, close examination of consumer-generated artifacts, careful scrutiny of current firm-authored brand content, and depth interviews with community members and firm employees regarding brand content, brand positioning and CGC as an element of the brand strategy. Jones Soda relies heavily upon its community of loyal users for the creation of branding content. From product innovations (flavors) to packaging (labels, cap quotes), promotions (stickers, web content, price points) and advertising, Jones Soda gives its 12-24 year old target consumers considerable input into the brand's attributes and personality (Underwood 2005). Mozilla's Firefox is an open-source web browser. It, too, relies entirely upon users for innovations, modification and promotion. Firefox users are encouraged to be evangelical and to get users of other browsers to switch to Firefox. As part of these efforts, consumers are encouraged to create short television-commercial-length videos.

We find the Jones Soda and Mozilla Firefox communities possess the three markers of brand community identified by Muniz and O'Guinn (2001) and provide ample room for personal transformation and consumer empowerment. Our data demonstrate effective consumer-generated communications for both brands that are collectively created, disseminated and distilled within a strong consumer controlled brand community. The data reveal much about consumer-to-consumer communications, including consumers' sophistication and agility in mimicking the conventions of advertising in order to invest brands with the meanings they seek. We find consumers quite adept at appropriating and mimicking the styles, tropes, logic and grammar of advertising. Consumers in both communities demonstrate mastery of intertextuality (O'Donohoe 1997) by utilizing the permeable boundaries between advertising and other cultural texts via their appropriation of content from those texts. They demonstrate mastery of polysemy (Kates and Goh 2003; Ritson and Elliott 1999), creating artifacts with different meanings for different groups. The consumers also demonstrate a grasp of the importance of oppositional brand loyalty (Muniz and O'Guinn 2001), crafting advertising like objects that play up intra-brand rivalries. Both Jones Soda and Mozilla Firefox recognize the potential of CGC and actively leverage their loyal, evangelical users to create artifacts that are woven into the fabric of their strategy for the brand.

In conclusion, this study demonstrates that consumers can mimic the conventions of advertising and produce consumer generated ads comparable to those produced by professionals. Owing to cheaper desktop audio, video and animation software, consumers can easily create promotional content that rivals that which is produced professionally. Moreover, via the Internet, such creations can be quickly and inexpensively shared with a multitude of others. Consumers, especially those who are members of brand communities, are more than able to be skillful, proficient and prolific in the creation of vigilante advertising content. Likewise, our findings show that some firms successfully outsource brand content and persuasive marketing communications to their consumers, harnessing these efforts toward long-term marketing objectives. There is no reason to doubt that the practice of utilizing consumers as both operant and operand resources in this way will spread. These findings have important, perhaps revolutionary, implications for advertising theory and practice.

### "Consuming the Consumer-Generated Ad"

*Frédéric Brunel, Boston University*
*Susan Fournier, Boston University*
*Ben Lawrence, Boston University*
*Courtney Guzman, Boston University*
*Eliza Papavasileiou, Boston University*

Although decades of research have yielded significant knowledge regarding consumers' responses to ads designed by firms or their agencies (Vakratsas and Ambler 1999), little is known about the emergent phenomenon of consumer generated advertisements (CGAs). In this presentation, we report on two studies designed to investigate viewers' reactions to CGAs. We seek to understand if and how consumers' responses to CGAs compare to those for company/agency produced ads. Specifically, our research informs three goals.

First, we explore whether CGAs present advantages as branded communications. Based on media pundits' opinions and case studies of CGA lead-user companies, we argue that viewers will have more favorable reactions towards ads which are identified as CGAs versus those identified as having agencies/firms as the source. Second, we study the processes that cause CGAs to be received more favorably. We investigate the roles of credibility and viewer involvement and predict that CGAs are more persuasive due to increased credibility and involvement with these ads. Third, we augment our understanding of the micro-psychological processes that explain reactions to CGAs through a holistic exploration within the natural viewing environment. We study the social discourse around the creation and use of CGAs in the commercial space. Our first two goals are informed through a laboratory experiment; our third leverages qualitative analyses of a series of field events.

For the experiment, we first identified a brand -Toyota Yaris-for which consumers had created ads and for which the target audience was aligned with our student respondents. Thirty Yaris CGAs were reviewed along two dimensions known to affect advertising response: executional quality and information content (Mitchell, 1986). Based on assessments by four judges, we selected four 30-seconds CGAs with varying (high vs. low) levels of executional quality and information content. In a controlled pretest where the source of the ad was not identified, 119 undergraduates viewed these ads and completed a battery of ad-response measures. Results confirmed our 2 by 2 factorial design: two ads with high brand information content and two with low content ($F_{4,119}=20.48$, $p<.000$), and two ads with perceived executional quality and two with low ($F_{4,119}=6.70$, $p<.000$). The main experiment involved a 2 (high-low information content) by 2 (high-low executional qual-

ity) by 2 (source condition: ad identified as created by a consumer versus by the firm/ad agency) between subjects design. Two hundred and eight undergraduates provided a series of reactions to and evaluations of these ads.

Results confirmed our hypotheses, with one exception. As expected, CGAs were more persuasive: attitude toward the brand was higher when the ads were identified as CGAs (F1, 208=5.37, p<.05). Further, there was a significant interaction of information content and ad source (F1, 208=5.72, p<.05): when information content was high, consumers' attitudes toward the brand were higher if the source of the ad was identified as CGA. This result suggests that viewers in the CGA condition were more engaged in the experience and processed more advertising message claims. Indeed, additional analyses showed that viewers' attitudes towards and involvement with the ad resulted from a significant 3-way interaction between the experimental factors. In particular, we found that viewers' involvement was greatest in the experimental conditions in which we found higher attitudes for the brand. This result pattern confirms our hypotheses concerning the added persuasiveness of CGAs, and the enhanced involvement that drives their effectiveness. We also found consistent result patterns for additional dependent measures, including motivations for social networking around the ad (e.g., saving the ad, forwarding it to friends) as well as behavioral intentions (e.g., seeking more product information or considering it for purchase). Finally, contrary to expectations, credibility was not a significant factor in explaining responses to CGAs.

In part two of our research, we sought a deeper, more natural, and holistic understanding of the processes underlying CGAs' effects. We studied (1) milestone CGAs created in response to company-sponsored competitions for the Super Bowl 2007 (Frito-Lay Doritos, Chevrolet HHR, and NFL) and the 2007 Academy Awards (Unilever's Dove Cream Oil contest winner and two finalists), and (2) CGAs created organically by evangelists for four community-intensive brands (Harley Davidson, iPod, Facebook and VW). Traditional company ads in these venues were also used as benchmarks. Our research pursued a multi-pronged analytic approach deriving grounded themes from analyses: viewer comments posted on Youtube.com, uncutvideo.aol.com, and company contest sites; secondary research surrounding the details of CGA contests; and interviews with CGA creators.

Our research revealed a key and previously unidentified driver of consumer response to CGAs: the professional skills of CGA creators versus their perceived authenticity as brand consumers. We found dramatic differences in viewer responses for "crowd-sourced" versus "authentic" CGAs. Responses to crowd-sourced CGAs mirrored those for "typical company ads," and focused on entertainment value, positive attitudes toward the advertising, and judgments of executional quality. Responses to "authentic" CGAs, in contrast, were driven by interdependent conversational activities among viewers: consumer-to-consumer conversations and one-to-one messages to and among ad creators that at times constituted overt relationship advances. These conversations created a multi-faceted engagement experience consisting of viewer involvement, ad involvement, creator involvement, brand involvement, contest process involvement, emotional engagement, and cognitive elaboration of the messaging. Responses to authentic CGAs also appear driven by brand characteristics, notably the brand's capability for and support of a strong community base. This study stresses the complexity of the CGA setting that must be accommodated in future research, and helps illuminate the processes underlying the effects of different "forms" of CGAs.

## "Managing The Creative Consumer Conundrum"

*Pierre Berthon, Bentley College*
*Leyland Pitt, Simon Fraser University*

Creative consumers represent an intriguing paradox for business. On the one hand they can be a black hole for future revenues, with breaches of copyright and intellectual property, while on the other hand they represent a potential gold mine for generating brand, product and business ideas. This duality poses a fundamental challenge to traditional consumer management processes. In order to create and capture value from creative consumers, firms need to adapt their mindsets and business models, and implement new strategies that accommodate and leverage the brand marketing artifacts generated by consumers in the field.

Although the pace and importance of consumer creation is fueled by the new networked economy and thus accelerating overall, the notion of consumers creating marketing artifacts has a long and illustrious history. The automobile serves as an excellent example of a product which, since its inception, has lived in a generally symbiotic relationship with creative consumers. The early Model T Ford was regularly adapted by farmers as a power source for driving generators, mills and lathes (Nye, 1998). Yet, although the phenomenon is old, it has received limited inspection by consumer researchers and leaders in the business press. Only recently has the phenomenon received focused attention in the management literature. For example, Mollick (2005) refers to creative consumers as "underground innovators". He provides an excellent framework that helps researchers and managers alike understand and categorize creative individuals. Unfortunately, the framework leaves us guessing about what management should do to approach and manage creative consumers– apart from encouraging them to perform.

In consumer research, there exists a long stream of research that has focused on consumer creativity, beginning with the work of Hirschman (1980) who defined it as problem-solving capability applied toward consumption-related problems. The focus of consumer researchers has tended to be on the behavioral traits of creative consumers, and especially the factors that influence the process of consumer creativity. For example, Moreau and Dahl (2005) studied, in an experimental setting, how input and time constraints influence the ways in which consumers process information during a creative task, and how those processes, in turn, influence the creativity of the solution. Also using experiments, Burroughs and Mick (2004) investigated the antecedents and consequences of creativity in a consumption context. Their findings suggest that both situational factors (i.e. time constraints, situational involvement) and person factors (i.e. locus of control, metaphoric thinking ability) affect creative consumption, and that there exists an interaction between these constructs as well. These research efforts are laudable, yet they shed little light on what managers should be doing to become aware of content generated by creative customers, how they should feel towards it, and what actions they should embark on to either encourage or discourage it for value creation and capture by the firm.

In this presentation, we define the concept of creative consumer, develop a typology of firms' stances toward this phenomenon, and examine the steps that are involved in the approach and management of creations by consumers. Our theoretical developments and considerations build from empirical results of research conducted among 178 marketing managers (representing a 30% response rate) concerning their handling of creative customers.

We define the creative consumer as an individual or group who generates branded content through creation, adaptation, modification, or transformation of proprietary offerings (such as products/

services and ad messages). We emphasize that creative consumers are different from 'lead users' (von Hippel, 1986), with creative consumers comprising a more general category of innovators than the lead user group.

Having defined and differentiated creative consumers, we develop a typology of firms' stances to the phenomenon. The typology is based upon managers' attitudes about and actions towards consumer-generated innovation in their businesses, as derived from factor analyses. Attitude toward consumer innovation concerns the firm's espoused policy or philosophy towards the phenomenon in principle; it can range from positive to negative. The espoused philosophy typically reflects the mental mindset of top management, but can also range from a subtle form of politicking to poor organizational communication. Action on consumer innovation comprises what a firm does once the phenomenon has actually been detected. This can range from active to passive. Based on our research, these dimensions yield four distinct stances: resist, discourage, encourage and enable. For example, some firms see creative consumers as threatening and try to prevent them from innovating with their products and brands; others see creative consumers as an opportunity and actively facilitate creativity efforts on their part.

We consider implications of our typological model for corporate strategy, and empirically derive, via factor analysis, a three-step approach for dealing with creative consumers: awareness, attitude and action. Overall, results indicate a relatively low level of awareness of creative consumer activity concerning the brand, a generally negative attitude toward the process, and a passive tendency towards incorporating the products of creative consumers into brand and marketing plans. More sophisticated analyses reveal the relationship between awareness, strategic stance, and firm performance, and the role that market turbulence plays as a moderator of responses in this realm. Our presentation concludes with a discussion of avenues for future consumer research.

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# Politics and Consumption

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## SESSION OVERVIEW

In the past, consumer researchers have studied various dimensions and practices of consumerist politics including boycotts (Klein et al, 2004; Sen et al, 2001), the critical/reflexive consumer (Murray and Ozanne, 1991; Ozanne and Murray 1995; Firat and Venkatesh 1995), consumer activism (Kozinets and Handelman, 2004), consumer resistance (Kozinets 2002, Kozinets et al 2004), countervailing strategies for commercial mainstreaming (Thompson and Coskuner-Balli, 2007) and oppositional meanings of global brandscapes (Thompson and Arsel, 2004). A related yet substantially different stream of research on the politics of consumption has evolved in the field of political science. Discussions of what political theorists call political consumerism (see e.g. Micheletti 2003; Micheletti, Føllesdal and Stolle 2004) focus on broad issues ranging from the existence and role of the postmodern political agent to the meaning of forest stewardship in the age of privatization. At the center of many of these writings are analyses of the condition and effects of global corporate capitalism, especially when fuelled by new information and communication technologies. The objective of this body of literature is to theorize the political consumerism movement as an individual and collective quest for political virtue in consumption and the market in the age of postmodern consumer culture, unfettered neo-liberalism, and rising neo-conservativism (Saltman 2006). Heeding the call of the conference theme, we would like to advance the budding debate on the politics of consumption in consumer research by 'building a bridge' to the theoretical work done in the field of political consumerism and by sketching out new directions for research on the politics of consumption within the canon of consumer culture theory.

Within the scope of this session we would like to achieve two main objectives. First, we revisit and critically interrogate some (often implicit) assumptions that posit the market as a sphere for political action and consumer agency. Second, we present two growing domains of consumption activity that traditionally have not been considered by researchers of the intersection of politics and consumption: first, the interrelationship between consumers' political orientation and collective consumer decision making and second, tourism. Partly due to a lack of comprehensive theoretical and historical analyses of political consumerism in CCT, our discussions have been limited to explorations of the motivations, the role, and the actions of various anti-global and anti-corporatist consumer movements. In this session, we not only present a number of different contexts in which to investigate political consumer action and move forward theorizations of political consumerism, we also question the theoretical and practical limits of political consumerism by presenting the contradictions that persist (and arguable become more accentuated in the age of neo-liberal globalization) between the market and the public (political) sphere. Hence, our agenda goes beyond the well-known consumer activism/resistance literatures by theorizing the political conditions of possibility of markets, consumption, and consumer subjects.

The first paper by Ozalp and Zwick investigates the implicit assumptions inherent in positing the market as a domain for enacting political action (collective and individual) and performing political consumer agency. From a public sphere perspective inspired by Habermas and others, the authors build a case against seeing the market as a useful site for political action as its logic goes against the main principles of enlightened and emancipated political debate: concern for the common good, concern for complete inclusion, and a desire to resolve inequity and injustice. The paper concludes with thoughts on the future of consumer resistance and the public sphere in the age of the Internet. Ozalp and Zwick argue that as the market becomes a transnational public the already rather limited ability of consumers to constitute and govern markets as a public sphere is diminished further vis-à-vis other political bodies such as firms, supra-national institutions, and governments. Yet, the condition of possibility for emancipated political consumerism is a market functioning as a public sphere. Otherwise, such acts of resistance are merely momentary and cannot be considered political and emancipatory.

The second paper expands on what has been considered part of the politics-market nexus by focusing on a specific type of anti-consumption activity: politically motivated brand rejection (PMBR). Sandikci and Ekici define PMBR as the refusal to purchase and/or use a brand on a permanent basis because of its perceived association with a particular political ideology that the consumer rejects. Based on interview data, the authors present three different types of ideologies that can lead to PMBR: predatory globalization, chauvinistic nationalism, and religious fundamentalism.

The third paper studies the volunteer vacation context in order to understand how political consumers have sought re-enchantment, communitas, and public virtue. Leonard presents results of an ongoing empirical project that investigates how volunteer vacations become a domain for political identity projects by presenting a space for engaging with the Other/Difference. She discusses how the motivations of political consumerism enter one of the more unlikely areas, global tourism, a site conventionally associated with the consumption of leisure and escape. Collectively these papers aim to provide a richer understanding of the intersection of politics and consumption.

## EXTENDED ABSTRACTS

### "Market and Public Sphere: Unpacking Political Consumerism"

*Yesim Ozalp, York University*
*Detlev Zwick, York University*

Today, consumers are actors in increasingly politicized market. Even international relations between countries are enacted in part through the market as instances of country-based calls for buycotts demonstrate (for example, many Muslim countries called for a boycott of Danish products after the cartoon incident and many popular right-wing media pundits in the US called for a consumer boycott of French products after the President Chirac-led government around President Chirac refused to support the Iraq war). More typically perhaps, the market has been politicized by the critics of global corporate capitalism who routinely call for consumption boycotts when companies fail to uphold ethical, social, economic, or environmental standards. Although these practices resulted in a growing interest in studying consumer activism, the notion of whether the market can serve as a legitimate site for emancipatory political action and agency has remained largely unquestioned. In this paper, we would like to investigate this take-for-granted assumption. To this end we first introduce two different conceptualizations of the modern public sphere that we find useful for theorizing political consumerism: modern public sphere and

counter publics. We then proceed to discuss under what conditions the market could be considered a public sphere that provides a legitimate area for political action and agency. Finally, we discuss how the Internet and the changing nature of a transnational public sphere may affect political consumerism.

Standard practices of political consumerism involve boycotts, buycotts, culture jamming, stewardship certification schemes, labeling schemes, and socially responsible investments. Micheletti and others (Micheletti et al, 2004) see the global market as a site for ethics and citizen action. They suggest that the disassociation of individual citizens from the political life turned the market into a site for "confronting the transnational corporations directly in the global marketplace, [where consumers] accuse them of violating human rights, and criticize them for their lack of dedication to sustainable development" (Micheletti et al, 2004, p. x). The capacity to resist corporate power *qua* consumer power has been discussed in the marketing literature as well, including boycotts (Klein et al, 2004; Sen et al, 2001), consumer enlightenment (Murray and Ozanne, 1995; Firat and Venkatesh 1995), consumer activism (Kozinets and Handelman, 2004), countervailing strategies for commercial mainstreaming (Thompson and Coskuner-Balli, 2007) and oppositional meanings of global brandscapes (Thompson and Arsel, 2004).

Despite such vivid interest in the politics of consumption, the question whether the market in fact constitutes a site for emancipation and deliberation remains unaddressed. In pursuit of an answer, we refer to the works of Habermas (1984; [1959] 1989) and Arendt ([1958] 1998) to develop a concept of the modern public sphere. Even though both authors consider the market as a social 'space', the recent rise of what has widely been called neo-liberalism calls into question whether the market form can uphold the key pillars of a public sphere (presence of rational-critical discourse and common goal), since there is an increasing power imbalance and unequal distribution. As a result, researchers of political consumerism and consumer resistance/activism focus on how the market can enable a free speech situation in Habermas's sense. Although the ideal speech situation developed by Habermas (1984) is central to the reflexive-defiant consumer of Murray and Ozanne (1991; 1995) and also rather implicitly present in the conceptualizations of the postmodern consumer subject by Firat and Venkatesh (1995), these authors focus on theorizing the consumer subject rather than developing a conceptualization of the market as public sphere for consumer emancipation. Arguments similar to Murray and Ozanne can be found in the political science literature on political consumerism. Specifically, as ideal democracies and public spheres are inclusive rather than exclusive; equating political consumerism with democracy and equating the [political] consumer subject with the democratic individual and citizen (see Micheletti et al. 2004, for different perspectives on this argument) calls for an in depth analysis of the inclusiveness of the political consumerism. As Stoole and Hooghe (2004, p.284) state "political consumerism like many other forms of participation is not all-inclusive". Given the exclusivity of market and consumer resistance as well as the absence of a cultural and social mechanism that will ensure the pursuit of a common good, serious doubts arise about the market as a modern public sphere (Barber 2007).

Within public sphere literature, the issue of exclusivity has resulted in the development of the concept of counter public. A counter public excludes or self-reflexively sets itself against the wider public (Asen, 2000). A counter public shares an understanding of a common good that is different from the wider public (Warner, 2002). The counter public exists as long as the exclusion is articulated in the discourse (Asen, 2000). The objective is to end the exclusion. Again, while references to a counter public can be found in the CCT literature (see e.g. Kozinets 2002; Kozinets and Handelman 2004) a theorization of this concept is missing with important implications for the theorization of consumer resistance as a counter public. Theories of counter publics require the articulation of resolution (of exclusion) (Asen, 2000). Such a perspective is yet to be included in the consumer resistance work in the CCT literature.

Hence, our analysis suggests three problem areas to which CCT researchers interested in the field of consumer resistance need to pay more attention: the common good, exclusivity, and the possibility of articulating a resolution to exclusion. Finally, we provide some thoughts on the future of consumer resistance and the public sphere. The meaning of the public has changed with the Internet, which has also affected the idea of the market as public sphere. Similar to Bohman (2004), we argue that even though the market turns into a transnational public as a result of the Internet, the existence of institutional support becomes ever more critical. The role of consumers in constituting the market as a public sphere is diminished vis-à-vis other forms like firms, supra-national institutions, and governments. As a result we argue that the possibility of a deliberate and emancipated consumer is not the result of acts of resistance but of a market functioning as a public sphere. Otherwise, such acts of resistance are merely momentary and cannot be considered political and emancipatory.

### "Politically Motivated Brand Rejection"
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Both anecdotal and scholarly accounts indicate that anti-consumption attitudes and behaviors have become more diversified and widespread. The term anti-consumption spans a wide continuum, ranging from relatively harmless beliefs, such as negative perceptions of fast-food, to violent and illegal behaviors, such as the acts of vandalism and arson targeted at companies such as McDonald's, Nike, and the Gap. This study contributes to the existing literature by introducing and discussing an emergent form of anti-consumption behavior, which we refer to as "politically motivated brand rejection" (PMBR). We define PMBR as the refusal to purchase and/or use a brand on a permanent basis because of its perceived association to a particular political ideology that the consumer is opposed to. By political ideology we refer to a "belief system that explains and justifies a preferred political order for society, either existing or proposed, and offers a strategy for its attainment" (Christenson 1971, p.5). Movements such as anti-branding/anti-globalization, green/ethical consumption, and voluntary simplicity exemplify consumption behaviors that are shaped by various political and ideological commitments. As problems such as environmental destruction, human rights violations, and unfair business practices become issues that states have difficulty controlling and governing, marketplace choice emerges as a new form of political participation through which citizen-consumers can exercise their agency (Micheletti 2003). However, contemporary political-social landscape is also characterized by increasing conservatism, fundamentalism, and nationalism. It is likely that, similar to the environmental and ethical concerns that promote anti-consumption behaviors, concerns over nationalism or fundamentalism can also foster anti-consumption behaviors.

The study draws from data collected through qualitative methods in Ankara, Turkey, between March and December 2005. Data collection process involved two stages. First, semi-structured interviews with consumers of different age, gender, and social groups were conducted. The goal was to find out whether they

deliberately refused any brands and products in their consumption choices, and if they did so, to identify the reasons underlying their behavior. Analysis of the first stage data indicated that consumers may reject brands and products for a variety of product, health, environment, and ethics related reasons. However, there were also some consumers who reported rejecting a brand because of politically-motivated reasons that were not discussed previously. Although a number of local and global brands were mentioned, the brands most frequently cited as subject to such rejection behavior were Coca Cola and Cola Turka, a Turkish cola brand. At the second stage of data collection process, interviews with exclusive Coca Cola or Cola Turka consumers were conducted.

The analysis indicates that informants refrain from drinking Coca Cola or Cola Turka for a number of reasons. These include product related as well as politically oriented reasons. The analysis of the politically oriented reasons mentioned by our informants suggests that these consumers perceive an association between the brand they reject and a particular political ideology that they personally oppose. We identified three distinct sets of political ideologies that underlie rejection behavior. A brand can be rejected by some consumers if it is associated with a hegemonic and imperialistic form of globalization, or what Falk (1999) refers to as "predatory globalization". Many of the Cola Turka consumers in our sample perceive Coca Cola as a symbol of the hegemony of the United States operating under the guise of globalization. Some of them state that they refuse to drink Coca Cola because they consider it represents American cultural imperialism. However, although these consumers reject Coca Cola due to its perceived association with American cultural imperialism, their rejection behavior is distinct from consumer animosity. They do not feel animosity toward all American products; rather they selectively reject certain brands that they believe are associated with the hegemonic nature of the American culture.

A brand can also be rejected if it is associated with chauvinistic nationalism and is seen as manipulating nationalist feelings for financial gains. Contrary to the expectations of the literature on consumer ethnocentrism, our analysis indicates that a domestic brand can be rejected by local consumers because of its strong identification with nationalism. Almost unanimously, those who reject Cola Turka perceive the consumers of Cola Turka as nationalistic people who resent foreign brands and give importance to using domestic products, and disassociate themselves from the type of nationalism that they think Cola Turka represents. Moreover, many of the Coca Cola users believe that the managers of Cola Turka brand take advantage of the political context that fosters anti-American sentiments in Turkey and attempt to convert nationalistic feelings into cash.

Finally, a brand can be rejected if it is associated with religious fundamentalism and perceived as representing a threat to contemporary lifestyles. Almost all of the informants who refuse to consume Cola Turka point at the religious undertones of the brand and/or the parent company and perceive the brand as a symbol of Islamic fundamentalism. They believe that those who consume Cola Turka do so not because of its taste but as an expression of their support for the political ideology that the brand and its parent company advocate. Many consumers who reject Cola Turka believe that the Cola Turka represents radical religious groups whose hidden agenda is to abolish the secular regime in Turkey and throw her back into the dark ages. The findings reported in this paper provide preliminary evidence for politically motivated brand-rejection behavior. We argue that PMBR differs from other related forms of brand rejection. First, unlike political consumption, PMBR appears to be a sporadic activity which is not necessarily accompanied with a heightened and enduring sensitivity toward objectionable business practices in general. Second, unlike political consumers who participate in boycotts with the goal of pressuring the target company to correct its bad business practices, consumers who engage in PMBR do not expect a change in the market and business practices.

## "Virtuous Vacations: When the Global Citizen Consumer Hits the Road"
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Volunteer vacations offer the opportunity to join a travel program, typically organized by a non-profit or nongovernmental organization, and spend one's holiday doing volunteer work. The work of the tourists on these "Volunteer vacation," "alternative tourism," or "working holiday" programs range from assisting scientists in conservation research to building homes and schools to assisting disabled, orphaned, street children to repairing trails in wilderness parks. Programs take place all over the globe in both the developed and developing world with international casts of characters. The work does not come cheaply. Costs for these holidays can equal those of some of the most high-end luxury vacations with land-only costs for a one or two week program running several thousand dollars. Despite the expense, the amenities rarely approach the hedonic, luxury vacation image so widely distributed by the cultural industries. For many volunteer tourists part of the authenticism of the experience is derived from "roughing it" or denying themselves the indulgence of a sumptuous vacation. The work of the volunteers can be tedious, even grueling, leaving volunteers with little time or energy for activities beyond the program nor relaxation. Yet the niche is growing quickly and many mass tourist vacation programs are incorporating elements of volunteer vacations into their mainstream packaged holidays.

This paper draws from interview data to investigate the experiences and motivations of the volunteer vacationer. Particular emphasis is put on the question of how such forms of tourism provide citizen consumers the opportunity to share in the responsibility for a wide-range of environmental, social, and political issues in our complex risk-ridden world. As these working holidays offer diverse groups of individuals the opportunity to engage with fellow tourists and their hosts, fascinating political, social, and cultural dynamics play themselves out often translating in a type of worldly solidarity with the plight of others and a sense of collective identity through, or perhaps despite, difference.

Volunteer vacations resist some common models and typologies of tourism and tourists available in the literature. Tourism is frequently contrasted to the everyday, the ordinary (Graburn, 1989) and work (Cohen, 1984) and is commonly conceived of in parallel to pleasure (Rojek, 1995). Further tourism is often categorized by the amount of exposure or protection it provides from the local environment provided by the "tourist bubble" of the tourist infrastructure (Cohen, 1984). The organized tour is the type of tourism most removed and protected from the local host environment, a categorization with lower social status, deemed the most inauthentic. However, the volunteer vacationer joins the organized tour of a working holiday in an effort to gain otherwise unattainable access to the locals and their culture. For many vacations are a time to indulge oneself, an occasion for well-deserved pleasure (Urry, 1990). Contrary to this view of tourism, the volunteer vacation is defined by its objective of benefiting others. As such, volunteer vacations represent a form of political consumerism where citizens take responsibility, balance self interest with helping others, and an enact virtue through consumption (Micheletti, 2003). On the self-interest side, tourists commonly join volunteer vacations for the

chance to meet and connect with a group of like-minded tourists. Perhaps alienated at work, the volunteer program offers tourists access to community and solidarity. Although the community bonds tend to be formed between co-tourists within the packaged volunteer program, volunteer tourists typically choose these holidays to intimately encounter local hosts.

The desire to encounter and "help" the Other has commonly been derided as patronizing at best and perhaps an attempt to reify colonialist, elitist power. However these views have been challenged with the charge that the self/other dichotomy might be refigured (Wearing and Neil, 2000). Although Western views privilege self in *opposition* to Other, in different cultures self may be defined through *connection* to others (Wearing and Neil, 2000). By offering volunteer tourists and local hosts the occasion to cooperate and find unity with each other, volunteer vacations build bridges between these groups and bonds them as common citizens of the world. In this way, the other becomes integral and important rather than minimized and contrasting.

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# The Role of Cognitive Processes in Overcoming Self-Control Failures

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## SESSION OVERVIEW

The capacity to exert self-control is an important feature of human nature. Given the adaptive benefits of being able to control inner states and behavioral responses, self-control is of significant importance for achieving success in life (cf. Baumeister and Heatherton 1996). Self-control has also been studied from a consumer perspective, and particularly the self-control strength model has been gaining ground in consumer research (Baumeister 2002). According to this model, exerting self-control temporally depletes self-control in the same way as in which using a muscle temporally depletes its capacity to exert power. This vision presents a rather grim view on the consumer, who will find herself making decisions going against her long-term self-interest all too often. Accordingly, the empirical focus in recent years has been on consumer choices not conducive to long-term self-interest (e.g., Shiv and Fedorikhin 1999; Vohs and Heatherton 2000; Vohs and Faber 2007). The purpose of this symposium is to present ongoing research that sheds light on the cognitive processes underlying self-control, thereby providing insights in how consumers might proactively overcome temptations.

Recent research has focused on consumer self-control failure (Shiv and Fedorikhin 1999; Vohs and Faber 2007). Self-control is typically shown to break down after the prior exertion of effort, for instance when resisting temptations. Some work attempted to shed light on the nature of depletion (e.g. Vohs and Schmeichel 2003; Webb and Sheeran 2002). Beyond its theoretical impact, such research has direct relevance to consumer research because it provides insights that may help to dampen the negative impact of the depletion state. The papers in this symposium fit into this stream of research in that they demonstrate the importance of cognitive processing in helping consumers to exert self-control. Thereby, all papers offer new insights in the nature of self-control, and simultaneously provide consumers with strategies that may help them to successfully deal with self-control dilemmas.

In the first paper, Vosgerau, Bruyneel, Dhar, and Wertenbroch argue that the scarce resource on which all acts of self-control draw according to depletion theory is not self-control specific but rather of a more general nature, and that cognitions play an important role in the processes underlying depletion. In the second paper, Bruyneel and Dewitte argue that exerting self-control induces a concrete mindset, which subsequently drives depletion effects. The amount of effort exerted during the first task seems to be less important in producing depletion effects than the level of concreteness on which people process task-related information. In the third paper, Fishbach, Zhang, and Myrseth argue that goals decrease the motivational strength of tempting alternatives and prior exposure to temptations increase the motivational strength of goal-related alternatives. As a result of these counteractive shifts in evaluations, adhering to the goal is more valuable than yielding to the temptation and the initial conflict between the two is more likely to be resolved in favor of the goal. The underlying theme is that the three papers offer new insights in the nature of self-control, and hence in its applicability to consumer research.

## EXTENDED ABSTRACTS

### "Ego Depletion and Cognitive Load: Same or Different Constructs?"

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The theory of ego depletion states that all acts of self-control draw on a common limited resource that is akin to energy or strength. Hence, exertion of self-control is necessarily followed by a period of diminished capacity to exert subsequent self-control. Eventually, with sufficient rest, the resource should build up again (e.g., Muraven and Baumeister 2000). Researchers have demonstrated depletion for behaviors as diverse as thought suppression (Muraven, Tice, and Baumeister 1998), persistence at strenuous tasks (Baumeister, Bratslavsky, Muraven and Tice 1998), emotion control (Vohs and Heatherton 2000), response inhibition (Wallace and Baumeister 2002), intellectual performance (Schmeichel, Vohs, and Baumeister 2003), self-presentation (Vohs, Baumeister, and Ciarocco 2005), and active choice-making (Bruyneel, Dewitte, Vohs, and Warlop 2006). This pattern of findings raises the question as to what extent these behaviors actually involve *self-control* conflicts, given that many researchers define self-control conflicts much more narrowly as conflicts between smaller, immediate versus larger, delayed rewards (e.g., Loewenstein 1996; Metcalfe and Mischel 1999; Trope and Fishbach 2000; Wertenbroch 1998; Wertenbroch et al. 2008). In other words, is ego depletion *self-control* specific, or might it be just another form of mental fatigue?

The concept of cognitive capacity has played an important role in the literature on (consumer) decision-making. One way to reduce cognitive capacity is to cognitively load participants, resulting in similar effects as ego depletion (Dhar, Nowlis, and Sherman 2000; Drolet and Luce 2004; Shiv and Fedorikhin 1999). Given that cognitive load can produce similar effects as ego depletion, the question becomes whether depletion can produce similar effects as cognitive load, and if so, whether and how depletion differs from cognitive load.

In the first study, we investigated whether depletion and cognitive load produce differential effects on memory for previously presented product information. The experimental design is a 2 (depletion vs. no depletion) by 2 (cognitive load vs. no cognitive load). We used a variation of the Stroop task as depletion manipulation (Wallace and Baumeister 2002). Participants were asked to indicate the ink color of 50 color names. In the non-depleting condition, words and ink colors were matched (e.g., RED in red ink). In the depleting condition, words and ink colors were mismatched (e.g., RED in yellow ink). In addition, when a word in blue ink appeared participants were instructed to indicate the word rather than the ink color. Subsequently, participants saw information on a luxurious Italian holiday resort, while at the same time had to keep either a one-digit (no cognitive load) or a nine-digit number (cognitive load) in mind (Chun and Kruglanski 2006).

After the depletion and cognitive load manipulations, we administered a memory test consisting of free recall and recognition

of holiday resort features (Lynch, Marmorstein, and Weigold 1988). We found a main effect of both depletion and cognitive load on free recall, indicating that depleted participants recalled fewer holiday resort features than participants who were not depleted, and that cognitively loaded participants recalled fewer holiday resort features than participants who were not cognitively loaded. The depletion by cognitive load interaction was not significant. Cognitively loaded participants also recognized fewer holiday features, however no such effect was found for depletion.

In the second study, increased the number of holiday features to test whether the same pattern of recall and recognition can be found for depletion as for cognitive load. The design of Study 2 is similar to the one of Study 1. We replicated the effects found in Study 1, such that cognitively loaded participants recalled fewer holiday features than participants who were not cognitively loaded. A similar effect was found for correct recognition of holiday features. However, an interaction of recall and recognition indicated that cognitive load impaired recall to a greater degree than recognition. The same interaction was found for depletion. Depleted participants recalled and recognized fewer holiday features than non-depleted participants, but the effect was more pronounced for recall than for recognition. The overall effect of depletion was much weaker than the overall effect of cognitive load.

Our findings demonstrate that cognitive load and depletion can produce similar effects on variables unrelated to self-control exertion. So, the scarce resource producing depletion effects is not self-control specific, as is typically suggested in the depletion literature. Depletion and cognitive load produce similar effects, suggesting that they recruit the same underlying processes. However, depletion effects are weaker than cognitive load effects on memory recall. Depletion is an after-effect because learning is impaired *after* participants are depleted, whereas cognitive load is an immediate effect because learning is impaired *while* participants are cognitively loaded. Future studies are planned to look whether depletion and cognitive load are moderated by the same factors. If so, we would have further evidence that depletion and cognitive load both recruit the same underlying psychological processes.

### "To Have One's Mind Set on it: Mindsets and Self-Control Dilemmas"
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*Siegfried Dewitte, KULeuven*

The self-control strength model (Muraven and Baumeister 2000) states that exerting self-control taxes a limited resource akin to energy or strength, and thus brings people in a state of resource depletion. This state reduces people's capacity to exert self-control subsequently. Although the basic finding is undisputed and several moderators and mediators of the depletion effect have been proposed (Martijn et al. 2002; Muraven and Slessareva 2003; Vohs and Schmeichel 2003; Webb and Sheeran 2003), the nature of the scarce resource remains elusive. The aim of this paper is to gain more insight in the processes underlying depletion. We claim that depletion effects result from being stuck in a concrete mindset that is adopted during initial self-control exertion.

It has been argued that concrete processing is associated with performance on challenging tasks (Mischel, Cantor, and Feldman 1996; Norman and Shallice 1986; Scheier and Carver 1988; Vallacher and Wegner 1987; Vallacher, Wegner, and Somoza 1989). As tasks that experientially have been shown to evoke concrete processing have important features in common with typical self-control tasks (Vohs and Baumeister 2004), we propose that the exertion of self-control will also evoke concrete processing, and will even induce a concrete *mindset*, in that the state of concrete processing will linger

and influence how people deal with subsequent tasks. Indeed, the transfer of cognitive procedures from one task to an unrelated task is the hallmark of mindset priming (Gollwitzer 1990). We suggest that the resulting difficulties in organizing and reorganizing cognitive resources may explain self-control failures observed in typical depletion studies.

If we are right in assuming that exerting self-control induces a concrete mindset, we should observe carry-over effects of self-control manipulations on concreteness of processing while engaging in subsequent unrelated tasks. We investigated this in the first study. Participants were asked to engage in a thought-listing task. They were instructed to write down their thoughts and either to avoid thinking about a white bear (self-control condition) or to think about anything they wanted, including a white bear (no self-control condition). A similar task was a successful self-control manipulation in earlier research (Muraven and Slessareva 2003). Subsequently, participants imagined themselves in one of three situations (e.g., having a yard sale) and classified objects related to each situation (e.g., books, cutlery) in as many categories as they deemed suitable. This task is one of the standard measures of level of concreteness of categorization (Liberman, Sagristano, and Trope 2002). We found that participants who had exerted self-control formed more groups than participants who had not exerted self-control, suggesting that exerting self-control induces a concrete mindset.

In the second study, we manipulated the extent to which participants engaged in concrete processing while exerting initial self-control, and investigated whether this influenced the depletion effect. Participants were randomly assigned to one of three conditions. In the control condition, participants were presented with a series of products and rated how often they had been using each product in the past. In the choice condition, participants were presented with a series of binary product choices. A similar choice task was shown to produce depletion effects in previous research (Bruyneel, Dewitte, Vohs, and Warlop 2006). It also induced concrete processing as products in each binary choice set had to be compared on the attribute level (e.g., chocolate chip cookie versus raisin bran cookie; Johnson 1984). In the goal condition, participants were also presented with a series of product pairs, but they were asked to come up with a common goal that could be fulfilled by the products in each pair (e.g., a book and a pair of glasses both satisfy the goal of reading). This task was depleting as it required complex thinking (Schmeichel, Vohs, and Baumeister 2003). It also induced abstract processing as it required participants to focus on goals (Freitas, Gollwitzer, and Trope 2004). Subsequently, participants were asked how much they would be willing to pay for several products. We found that choice participants were willing to pay more than control participants, replicating the typical depletion effect. Choice participants were however also willing to pay more than goal participants. We found no differences between control and goal participants. Interestingly, choice and goal participants indicated that they had exerted a comparable amount of effort during the first phase of the study, and that they had exerted significantly more effort than control participants.

In the third study, we attempted to replicate the findings of study 2 using different depletion and mindset manipulations. Participants were randomly assigned to one of four conditions. In the control and the thought suppression conditions, participants engaged in the same thought listing task as in study 1. They were asked to list their thoughts and were either or not allowed to think of a white bear, respectively (Muraven and Slessareva 2003). In the choice condition, participants engaged in a similar depleting binary choice task as in study 2 (Bruyneel et al. 2006). The double

condition was the most informative one. In this condition, the task requirements of the other two depletion conditions were combined. Participants were asked to not think of a white bear while actively making binary product choices. We hypothesized that it would be harder for participants in this condition to engage in concrete processing than it would be for participants in the other two depletion conditions, as they could not entirely focus on the task characteristics of one particular task. Our dependent measure again was willingness to pay for several products. We found that control participants were willing to pay less than thought suppression and choice participants, the latter two conditions not being significantly different. This finding replicated the typical depletion effect. In addition however, participants in the double condition were also willing to pay less than participants in the other two depletion conditions. Participants in the double condition did not differ from control participants. Participants in the three depletion conditions indicated that they had exerted a comparable amount of effort during the first phase of the study, and that they had exerted significantly more effort than control participants.

Overall, our data provide support for the claim that exerting self-control induces a concrete mindset, which rather than the effort exerted subsequently drives depletion effects.

### "Asymmetric Effects of Counteractive Control"

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Counteractive control theory describes the conditions that activate self control processes, the nature of those processes, and how they enable individuals to overcome temptation (e.g., Fishbach and Trope 2005; Trope and Fishbach 2000). According to this theory, when individuals feel that tempting alternatives threaten the attainment of their high order goals, they proactively employ self control strategies, designed to offset the influence of those temptations on their behavior. The stronger the temptation, the more likely are individuals to engage in counteractive control.

 Our recent research on counteractive control addresses asymmetrical shifts in motivation: Goal-related cues undermine the value of temptations and lower the amount of time people plan to invest on tempting activities. Temptation-related cues augment the value of the goal and increase the amount of time people plan to invest on goal-related activities. Specifically, exposure to temptations increases the value that people assign to an overriding goal. In this respect, making individuals aware of pleasurable alternatives to a goal may make the goal seem more positive. Correspondingly, reminding individuals of an overriding goal renders the value of tempting alternatives less positive. In themselves, temptations represent desirable outcomes that individuals would otherwise pursue. However, when these outcomes steer individuals away from an overriding goal, they would be devalued. As a result of counteractive shifts in evaluations, adhering to the goal is more valuable than yielding to the temptation and the initial conflict between the two is more likely to be resolved in favor of the goal. We present three studies that support these asymmetric shifts in motivation.

The first study tested for implicit evaluation of goals and temptations using an evaluative priming paradigm (cf. Bargh, Chaiken, Govender, and Pratto 1992). In the domain of healthy eating and overcoming food temptations, this study finds that dieters undermine the implicit value of fatty foods (e.g., chocolate) in response to cues for dieting, and they augment the value of healthy foods (e.g., apple) in response to cues for indulging. Such changes in the implicit value of healthy and unhealthy foods help dieters maintain their commitment to healthy eating when they encounter tempting foods.

The second study examines whether counteractive evaluations are elicited by available (rather than unavailable) temptations. According to our self-control perspective, making temptations available should make them less valuable, whereas making goals available should make them more valuable. Following a procedure developed by Simpson et al. (1990), we specifically tested how individuals in dating relationships versus not (i.e., singles) perceive the sexual attractiveness of others who are either in dating relationships and hence, they are unavailable, or not and hence, they are available. We find that those in dating relationships undermine the attractiveness of single (available) targets compared with (unavailable) targets in a dating relationship. In addition, they boost the perceived attractiveness of their own partners after evaluating available (vs. unavailable) potential partners. A devaluation of the attractiveness of a potential partner by a person in a dating relationship is therefore, a matter of availability.

Our final study examines asymmetric effects on the amount of time or resources that individuals plan to invest on a goal-related activity versus a tempting activity. We predict that in respond to temptations, individuals set higher performance standards to maintain their level of performance on goal-related activity. In addition, in respond to a goal, individuals underestimate the amount of time and resources that they would like to devote to a tempting activity. We explore these overly optimistic predictions in the domain of academic goals and overcoming leisure temptation. We find that students augment the predicted amount of time that they will spend on academic activities (e.g., completing their coursework) when they first consider the time spent on leisure activities (vs. not). We also find that students undermine the amount of time that they will spend on leisure activities (e.g., watching TV) if they first consider the time spent on academic activities (vs. not).

Taken together, these studies document asymmetric changes in motivation for goal pursuing and giving in to temptation: augmenting the goal value while undermining the temptation value, and setting optimistic expectations for more goal pursuit and less time spent on succumbing to temptation.

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# What Do You Think: The Role of Others' Opinions in the Marketplace

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## SESSION OVERVIEW

Past consumer behavior research has typically focused on how other people's opinions tend to *influence* consumers–e.g., in the form of expert opinions (e.g., Petty and Cacioppo 1991), as consensus cues (Aaker and Maheswaran 1997), as reference groups (Bearden and Etzel 1982), and word-of-mouth communications (Godes and Mayzlin 2004). This session takes a unique and broader perspective on this topic by bringing together research from several diverse streams (as per this year's conference theme) to launch a productive discussion on how research from these areas can be integrated to provide a more complete picture of the role of other's opinions in the marketplace—not only from the vantage point of how they influence consumers, but also how and when are consumers more likely to be influenced by these opinions, how do consumers attempt to influence other's opinions, and how do they estimate these opinions.

The three papers represent the main aspects and approaches to understanding the role of others' opinions. The Gershoff, Mukherjee and Mukhopadhyay paper attempts to understand how people estimate other's opinions and the extent to which biases operate in this process. They examine this issue in the context of the false consensus effect. The Kaikati and Ahluwalia paper focuses on the issue of when, how and which of the other's opinions are likely to influence consumer buyer behavior. These issues are examined in an interpersonal setting, using the context of word-of-mouth effects and relationship ties. The Kirmani and Dorokhina paper uses interpersonal sales setting to understand when consumers are likely engage in deceptive behaviors, in attempting to influence the opinion of others (buyers in this context).

As such, each of these papers approaches the topic of other's opinions, but from a different perspective: how are these opinions estimated (Gershoff et al); how and when do they influence consumer evaluations of products (Kaikati and Ahluwalia); how do consumers attempt to influence other's opinions (Kirmani and Dorokhina).

Margaret C. Campbell (University of Colorado-Boulder) served as the discussion leader. She brought to bear her breadth of knowledge in this area to engage the participants and the audience in an enriching discussion on this topic.

## EXTENDED ABSTRACTS

### "What's Not to Like? Preference Asymmetry in the False Consensus Effect"

*Andrew D. Gershoff, University of Michigan*
*Ashesh Mukherjee, McGill University*
*Anirban Mukhopadhyay, Hong Kong University of Science and Technology*

Individuals often need to predict other people's likes and dislikes (Hoch 1987; West 1996). For example, when individuals offer advice to friends about movies, buy a gift for a loved one, or recommend a restaurant to a colleague, they first have to assess the recipient's likes and dislikes. Yet, extensive research indicates that people tend to overestimate the extent to which their own attitudes, beliefs, and behaviors are shared by others, an effect variously referred to as false consensus, egocentric bias, social projection, and assumed similarity (Hoch 1987).

One explanation for false consensus, based on the availability heuristic, is that individuals estimate the prevalence of views in the population by relying on the availability or ease with which either examples of others who hold an attitude come to mind, or the ease with which reasons for holding the attitude come to mind (Ross et al. 1977; Mullen et al. 1985; Tversky and Kahneman 1973).

Recent research finds an asymmetry in the attribute ratings of alternatives, such that people are less likely to dislike attributes in an object they like compared to liking attributes in an object they hate (Gershoff, Mukherjee, and Mukhopadhyay 2007). Notably, such asymmetry in the quantity of these counter-valence attributes between disliked and liked alternatives has been empirically demonstrated in a number of product categories, including movies, wall posters, and ice-cream sundaes (Gershoff, Mukherjee, and Muhopadhyay. 2006, 2007).

We propose that this asymmetry in counter-valence attributes between disliked and liked alternatives leads to a moderation of the false consensus effect, such that the effect is weaker for disliked alternatives and stronger for liked alternatives. Since it is relatively easy to think of positive aspects of disliked alternatives, individuals are likely to be sensitive to the possibility of others liking, or at least being neutral toward, an alternative that they personally dislike. This, in turn, should dampen individuals' overestimation of population consensus for disliked alternatives, thus reducing the magnitude of the false consensus effect. In contrast, since it is relatively difficult to think of negative features of a liked alternative, the false consensus effect is likely to be stronger for liked alternatives. Four studies support these results.

Two-hundred and twenty-two individuals participated in study 1 by providing their estimates of the percent of other people who would like, give a neutral rating to, or dislike, each of a set of 27 ice cream sundaes (n=113), or a set of 50 images of posters (n=109). Participants also provided their own ratings of each sundae or poster. Consistent with predictions, in both data sets, in addition to the basic false consensus effect, there was moderation by one's own preference. Specifically, those who liked an alternative estimated a greater percent of others would share their opinion compared to those who disliked the alternative. The same results also held when the dependent variable was the difference between participants' estimates and the actual liking and disliking percents in the population, a measure of the 'truly false consensus effect (Krueger and Zeiger 1993)

Study 2, directly explored the mediating role of availability counter-valence attributes on the relationship between preference and false consensus. Sixty participants provided names of movies they either liked or disliked as well as estimates of the percent of others who liked, were neutral toward, or disliked the movie. Participants also provided ratings of the acting, directing, plot, writing, and music. As in prior research, greater counter-valence attributes were found in the disliked compared to liked alternatives, with the average number of liked attributes in the disliked movies exceeding the average number of disliked attributes in the liked movies. Replicating study 1, those who liked a movie estimated a greater percent of others share their evaluation than those who hated a movie. More importantly, supporting the role of availability of counter-valence attributes, the quantity of counter-valence attributes mediated the relationship between ones' evaluation and the estimate of the percent of others who share that evaluation.

Studies 3 and 4 manipulated the availability of counter-valence attributes. In Study 3, was a 2 (preference valence) X 2 (availability) design with one hundred participants providing esti-

mates of the percent of others liking, disliking, and neutral toward a poster that was either liked or disliked by the participant, depending on condition. Availability of counter valence attributes was externally manipulated by providing the participant with either 1 or 4 statements indicating reasons for liking or for disliking the poster, said to be from another person in the study. As in studies 1 and 2, there was a main effect for preference valence, with those liking a poster estimating a greater percent of others would hold the same opinion as they do compared to those who dislike a poster. However, as expected, this effect was moderated by the availability of counter-valence reasons. Making available a greater number of counter-valence attributes decreased the false consensus effect. Further, as in study 2, the reported ease of thinking of counter-valence attributes mediated the relationship between preference valence and false consensus.

Finally study 4, manipulated availability internally, by forcing participants list either 3 or 8 aspects of a movie that ran counter to their overall evaluation. As predicted, those forced to list more reasons indicated that it was more difficult to think of reasons that were opposite their own evaluation. As in the prior studies, the degree of false consensus depended on one's preference, with more false consensus for liked versus dislike alternatives. However, consistent with the role of availability of counter-valence attributes in driving the effect, the degree of false consensus decreased when participants found it easier to generate the counter-valence attributes. Again, mediation provides further support for the role of counter-valence attributes.

In summary, across multiple studies and multiple product categories, it is shown that the false consensus effect is moderated by one's own preference valence, such that there is more false consensus when a person likes and object than when he or she dislikes it. The studies also show the role of availability of counter-valence attributes in this effect. Specifically, measured availability of counter-valence attributes are shown as mediators (studies 2, 3, and 4) and manipulations of availability are show to moderate the effect (studies 3 and 4).

### "Examining the Effectiveness of Firm-Sponsored Word-of-Mouth Communications: The Role of Disclosure and Relationship Tie Strength"

*Andrew M. Kaikati, University of Minnesota*
*Rohini Ahluwalia, University of Minnesota*

Prior research has found that interpersonal word of mouth (WOM) is more persuasive than other forms of media communication (Blackshaw and Nazzaro 2005; Godes and Mayzlin 2004; Katz and Lazarsfeld 1955). Consequently, firms are relying more on WOM communication (Godes et al. 2005), and are actively recruiting consumers to be WOM agents (Kaikati and Kaikati 2004). The objective of consumer WOM agents is to talk to other people they know (e.g. friends and acquaintances) about firms' products, and in return they often receive points that are redeemable for prizes. For instance, P&G's Tremor group has over 300,000 consumer WOM agents, and BzzAgent has over 60,000 (Wells 2004).

In response to consumer advocate concerns about surreptitious advertising, the Federal Trade Commission has stated that consumer WOM agents are required to disclose their affiliation with product manufacturers (Shin 2006). However, these agents fall in a "grey area," such that they can still choose whether to disclose their affiliations with firms when recommending products to other consumers. It is not clear whether disclosure of firm affiliations will have a positive or negative effect on evaluations and persuasion. On the one hand, it may increase agent credibility, and thus persuasiveness. On the other hand, it may increase consumer skepticism of the agent and the message (Friestad and Wright 1994). There are also several different types and "moments" of disclosure (e.g., forewarning before the persuasive message, post-warning after the message); past research has yet to examine how their nature might influence the persuasion outcomes.

Additionally, many companies try to encourage their agents to approach their close friends and family, while others tend to focus on tapping into the casual acquaintances of their agents. It is also largely unclear at this point, how these different types of relationship ties might moderate the relationship between disclosure and persuasion. Here again, past literature presents a mixed picture. Although it can be argued that information provided by a trusted friend (versus acquaintance) may be perceived as more credible and might be more persuasive even when the source is known to be a company agent (e.g., Friestad and Wright 1994); it can also be argued that people might be more suspicious, less forgiving and more angered by a sales attempt by their friend versus an acquaintance (Fein and Hilton 1994). Our research attempts to examine these issues further. In a series of two experiments we examine the effects of communications from WOM agents who had either strong (friend) or weak (acquaintance) ties with participants, under different types of disclosures.

Study 1 had a 3 (disclosure: forewarn, post-warn, none) x 2 (relationship tie strength: strong [friend], weak [acquaintance]) between-subjects design. Participants were asked to imagine themselves in a given new product recommendation scenario–where they received a product recommendation from either a friend or an acquaintance, and then completed the dependent measures. The no disclosure condition was used as a baseline for making the contrasts. The difference between two disclosure conditions was the point at which the source made a disclosure of his/her participation as a WOM agent. In the forewarning condition, it occurred before the product recommendation, while in the post-warning condition this information was disclosed after the product recommendation.

Results of the first study revealed that, as expected, a friend was perceived as more persuasive than an acquaintance (more favorable brand and agent attitudes), in the baseline (no disclosure condition). Inclusion of a post-message disclosure, however, proved to be highly detrimental for the friend-agent, but not to the same extent for the acquaintance-agent–whose message was better able to withstand the disclosure of a relationship with the company. Not only was the friend-agent's recommendation less persuasive than the baseline, it was also no more persuasive than an acquaintance-agent's recommendation. More importantly, the ill-effects of post-warning were attenuated, and a clear and significant advantage of the friend-agent emerged, simply by changing the timing of the disclosure to before (forewarning) instead of after the message. We argue that this might be a more effective strategy when friend-agents are used because of the communal character of close relationships (Clark and Mills 1979).

The second study was conducted to gain a better understanding of the underlying processes. Since consumer's expectations from their relationships appeared to be an important driver of the outcomes, in this experiment, we assessed the participant's extent of relational-interdependent self-construal (RISC), which is defined as the tendency to think of oneself in terms of relationships with close others (Cross, Bacon and Morris 2000). This study focused on the post-warning condition, where the strength of tie had backfired, to gain a better understanding of what might be driving this effect. To examine generalizability of our findings, a different variant of the post-warning disclosure was examined–where the agent did not volunteer the disclosure, but provided it upon a query by the target.

The study was a 2 (disclosure: none, post-message) x 2 (strength of tie: strong vs. weak) x 2 (RISC median split: high vs. low) between subjects design. In addition, measures of purchases intention were included in this study. The overall patterns of data from experiment 1 were replicated when the data were combined across the RISC conditions. However, when data were examined with a median split on the RISC variable, the results revealed that participants who scored high in RISC, that is, those who defined themselves in terms of their close relationships, reacted very differently from their counterparts who scored low in RISC. As such, participants who were high in RISC demonstrated a significant drop in their evaluation of the target brand and agent, and their purchase intention, when provided with the post-message disclosure from a friend-agent–similar to the findings of study 1. In contrast, no such drop was observed for the participants who were lower in RISC, who continued to evaluate the brand and corporation as highly as the baseline condition, even after the disclosure.

The findings of these studies suggest that the point at which the disclosure of a consumer agent's relationship with a company is an important determinant of brand and agent evaluations. Furthermore, a consumer's inclusion of others in his/her sense of self determines, to a very great extent, whether using a friend as a product agent is likely to backfire or help in selling process.

### "I'm Fair, Therefore I Deceive"
*Amna Kirmani, University of Maryland*
*Olga Dorokhina, University of Maryland*

What is the relationship between a concern for fairness and the likelihood of deception? There is little research on this topic in marketing or psychology. Since the two constructs are morally conflicting, one would assume that a sense of fairness would attenuate the likelihood of engaging in deception. However, that is not always the case. In this paper, we examine conditions under which consumers who are concerned about fairness are *more* likely to engage in deception than consumers who are not concerned about fairness.

We examine deception in the context of an interpersonal marketing interaction, e.g., an interaction between a buyer and a seller. We examine several factors that may affect consumers' likelihood of deceiving others, including the relationship between the seller and buyer, social value orientation and the type of deception. The relationship between the buyer and seller is characterized by cooperation (mutual interests) vs. competitiveness (conflicting interests) (Deutsch 2000). Deception may be considered less appropriate in a cooperative than competitive relationship (Kirmani and Campbell 2004). The second factor, social value orientation, is a stable dispositional variable that reflects a preference for own vs. other outcomes (Kuhlman and Marshello 1975). Those with a prosocial orientation seek to maximize joint outcomes along with equality in outcomes (Van Lange 1999); those with an individualist orientation maximize their personal outcomes; and those with a competitive orientation seek relative advantage over others. These three types of social value orientation are predictive of cooperative and competitive behavior patterns in a variety of settings, such as experimental games and social dilemmas (e.g. Kuhlman and Marshello 1975). Prosocials tend to be concerned with fairness and reciprocity, while individualists and competitives have more selfish motives; thus, researchers collapse the latter two groups into a category called pro-self. Finally, type of deception refers to whether consumers withhold information (omission) or actively lie (commission). Lies of commission are typically perceived as worse than lies of omission, since the former are perceived as more effortful and causal (Spranca, Minsk and Baron 1991).

Research shows that compared to consumers with a pro-self orientation, consumers with a prosocial orientation will be less likely to deceive opponents in a cooperative relationship. In a competitive relationship, however, consumers with a prosocial orientation will be *more* likely to deceive opponents (Steinel and De Dreu 2004). We extend this hypothesis in the first study, by examining all three levels of orientation. We predict that faced with a competitive buyer, prosocials will be more deceptive than individualists but not more deceptive than competitives.

Study 1 is a 2 (Buyer: Cooperative/Competitive) X 3 (Orientation: Individualist/ Competitive/ Pro-Social) X 2 (Type of Deception: not telling the truth/actively lying) X 4 (Scenarios) mixed design. The first two factors are between subjects and the last two are within subjects. One hundred undergraduate students imagined themselves in the role of a seller of a used car. Social value orientation was measured, while the buyer was described as cooperative or competitive. Participants were given private information about different aspects of the car they were selling (e.g., mileage, brakes, stereo system, and availability) and were asked how likely they would be to tell the truth or actively lie to the buyer about each of the different aspects. Consistent with the hypothesis, the results showed that when faced with a competitive buyer, prosocials were more likely to actively lie than were individualists, but as likely to lie as competitives. However, there were no differences across the three types of orientation in terms of reactions to a cooperative buyer.

To show that a fairness motive underlies these findings, we directly manipulated fairness in study 2 through priming. According to the might over morality hypothesis (Liebrand et al., 1986), social value orientation influences the relative weight individuals attach to the dimensions of morality (or fairness) and might (or power). Prosocials tend to frame decision making in terms of fairness, whereas individualists (and competitors) tend to frame decision making in terms of power. The design was a 2(Buyer: Cooperative/Competitive) X 2 (Prime: Fairness/Power) X 2 (Type of Deception: not telling the truth/actively lying) X 4 (Scenarios) mixed design. As before, the first two factors were between subjects and the other two were within subjects. Results are similar to those in study 1, suggesting that priming with fairness leads to greater deception than priming with power when dealing with a competitive opponent. A third study will examine further the underlying processes of prosocial motivation. Specifically, it will try to answer the question of whether different types of prosocial motivation, such as fairness and empathy have different effects on buyer's decision to lie.

Two of the three studies have been completed and the data have been analyzed. The third study will be finished before the ACR conference. The paper makes a contribution to research on deception, fairness, social value orientation, and persuasion knowledge. In the literature on social value orientation, individualists and competitives are considered one group; however, our study shows that their motivations are different, leading to different behavior in the context of deception.

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# Symposia Summary
# Homo Consumicus: Emerging Research in Evolutionary Consumer Behavior

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Vladas Griskevicius, University of Minnesota, USA

## SESSION OVERVIEW

Evolutionary approaches to studying human behavior have led to broad theoretical advancements in the fields of biology, economics, anthropology, and psychology. In consumer behavior, the year 2007 marks the release of two books on evolutionary approaches to consumption: a textbook (*The Evolutionary Bases of Consumption*) and a forthcoming popular science book (Faking Fitness: The Evolutionary Origins of Consumer Behavior*). Yet empirical research utilizing evolutionary models in our discipline's top journals have thus far been almost completely absent. Are we as a scientific discipline missing out by potentially neglecting this vastly under-explored theoretical perspective?

The objective of this symposium is to bridge the gap between evolutionary approaches to studying human behavior and mainstream consumer behavior research. Four papers—each consisting of a series of programmatic experiments—will demonstrate how novel insights into consumer behavior can be gained by drawing on an evolutionary perspective. The papers and the discussion that follows aim to demonstrate how an evolutionary approach can be useful for developing novel, unique, and testable consumer behavior hypotheses. Moreover, the session and discussion will emphasize the fact that evolutionary approaches do not aim to replace other theoretical approaches—but instead offer a wide-reaching theoretical framework that can help integrate a number of existing models of consumer behavior, and to explicitly connect them with broad theoretical developments in other disciplines.

While the four papers presented in this symposium use diverse experimental methodologies to test specific hypotheses, all of the papers center on a core evolutionary theme: How consumer behavior and consumption experience is influenced by two evolutionary human motives—the motive to attract romantic partners (papers 1 and 2) and the motive to affiliate with others (papers 3 and 4). Examining the motive to attract a romantic partner, Griskevicius, Tybur, Sundie, Cialdini, Miller, and Kenrick draw on costly signaling theory from biology to examine conspicuous consumption, altruism, and philanthropy. They find that activating a romantic motive leads people to strategically spend money on flashy conspicuous purchases to display wealth. Van den Bergh and Dewitte examine the effects of "sexy" ads on consumer behavior, showing that the consequences of sexual imagery in advertising extends much further than merely to the evaluation of the product or brand—including that seeing attractive members of the opposite sex in an ad leads men to display resources and leads women to display physical attractiveness.

Mead, Vohs, Baumeister, and Rawn examine how social exclusion, which can trigger the motive to affiliate, leads people to consume in a way that enhances their chance of forging new social bonds. For example, they find that participants threatened with social exclusion are more likely than others to mimic the consumption patterns of a new peer. Ramanathan and McGill examine the motive of affiliation by simultaneously tracking the second-by-second evaluations of individuals' shared consumption experience. They find that shared consumption experiences foster affiliation between strangers via the emergence of mimicked non-verbal cues.

Finally, Darren Dahl will draw on his expertise in consumer behavior research and marketing practice to initiate a dialogue between the audience and the presenters. Particularly, researchers from myriad backgrounds are invited to engage in a discussion on whether and how an evolutionary approach could be integrated into consumer behavior research and practice. We hope to particularly emphasize that although evolutionary models clearly need more rigorous testing by consumer behavior researchers, an evolutionary approach provides fertile ground for a wide range of novel hypotheses and theoretical insights in consumer behavior.

## EXTENDED ABSTRACTS

### "Blatant Benevolence and Conspicuous Consumption: When Romantic Motives Elicit Strategic Costly Signals"

*Vladas Griskevicius, Arizona State University*
*Joshua M. Tybur, University of New Mexico*
*Jill M. Sundie, University of Houston*
*Robert B. Cialdini, Arizona State University,*
*Geoffrey F. Miller, University of New Mexico*
*Douglas T. Kenrick, Arizona State University*

On Valentine's Day 2003, Donald Trump pledged a million dollars to charity. A few years earlier, Ted Turner pledged a billion dollars to humanitarian causes. While such valiant spectacles of public philanthropy are actually fairly common, they seem somewhat puzzling. Trump and Turner, for example, epitomize many people's stereotypes of self-interested and self-serving capitalists; both men appear to obtain great satisfaction from lavish lifestyles and openly flaunt their extravagant private jets, luxurious yachts, and chauffeured limousines. Yet each of these seemingly selfish tycoons chose to give away a phenomenal amount of their own money to complete strangers. What motives might underlie such costly and apparently selfless deeds?

In the current research we investigated the idea that self-sacrifice might actually be self-presentation. Although it may have been a mere coincidence that Trump's donation was announced on Valentine's Day, there may indeed be a connection between philanthropic displays, lavish spending, and courtship. Deriving specific hypotheses from costly signaling theory, in three experiments we tested whether merely activating romantic motives in individuals might indeed elicit public philanthropy, conspicuous consumption, and blatant benevolence.

Donating one's own resources to a stranger is the essence of altruism. From an evolutionary perspective, altruism has always been somewhat of a puzzle—natural selection would not favor people to give away resources to people who aren't family members or to strangers who are unlikely to reciprocate such gifts. From an evolutionary perspective, for instance, it's difficult to understand why 70% of U.S. households give money to charity or why nearly 10 million Americans each year give blood to strangers whom they'll never meet.

A theory that may help explain such benevolent and often expensive behaviors is costly signaling theory (Miller 2000; Zahavi and Zahavi 1997). This theory was developed in biology and has garnered empirical support in studies of animals and of hunter-gatherer societies. Costly signaling theory suggests that individuals often engage in behaviors that are costly—behaviors that involve significant amounts of resources, energy, risk, or time—as a way of signaling to others useful information about themselves. According to costly signaling theory, such signals are ultimately adaptive

because they increase an individual's probability of attracting a mate.

According to a costly signaling theory, public philanthropy is a costly signal that displays two important features about an individual: That the person has abundant *resources,* and that the person is *prosocial.* According to the theory, just like a peacock's tail, such displays might ultimately serve to increase the signaler's ability to attract and retain mates. Following this logic, we examine whether merely activating mating motives in individuals would indeed lead people to produce displays of conspicuous consumption, blatant benevolence, and public philanthropy.

Three experiments found results consistent with costly signaling theory and with research on mate preference. Specifically, a romantic desire led men to increase their spending on conspicuous purchases—products that are luxurious, frivolous, and publicly consumed. But a romantic desire did not lead men to spend more on inconspicuous purchases—products that are necessities and are consumed in private. For women, a romantic desire increased blatant benevolence—helping that is social and public. However, mating motives did not increase women's inconspicuous helping—helping that is non-social and unlikely to be observed by one's friends or acquaintances. Romantic motives also led both men and women to increase their conspicuous financial generosity—to spend more money in publicly charitable ways.

The present research supports the hypothesis that blatant benevolence and conspicuous consumption are costly signaling displays that can function to attract and retain mates. That is, merely putting men and women in romantic state produce a cascade of strategic (although often non-conscious) behaviors such as conspicuous spending, public helping, and philanthropy. We believe that the present work and an evolutionary approach reflect only the tip of a data-rich iceberg that will serve as an impetus for novel and promising consumer behavior research.

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### "When do Men Pay the Bill and Women Advertise Physical Attractiveness?"

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Advertisers search for a way to break through the clutter by using sexually oriented appeals in marketing campaigns. Advertisements became much "sexier" in past decades and the percentage of less-than fully dressed models in commercials continues to increase. Previous research on the use of sexual imagery in advertising has focused on consumers' brand recall and recognition, appeal evaluation, attention, purchase intentions, product perception, persuasiveness, and communication effectiveness. The present investigation differs from earlier work by showing that the consequences of using "mating primes" extend much further than the evaluation of the product or brand. Deriving specific hypotheses from an evolutionary framework, two experiments tested how exposure to opposite-sex advertisements influences consumption geared towards mate-attraction.

Given the centrality of reproduction in the evolution of humans, sensory stimuli from opposite sex individuals act as input cues that prime a psychological orientation directed toward attracting a mate (Roney 2003). We hypothesize that exposure to mating primes instigates consumption patterns that closely match prefer-

ences of the opposite sex. Women are more likely than men to seek non-appearance-related factors in a mate, such as cues to resource possession or acquisition, while men more than women seek attributes associated with reproductive value or fertility (Buss 1988, 1989; Schmitt and Buss 1996). Following this logic, after exposure to mating primes, men should be more willing to pay the bill, since this is an indicator of resource possession. In contrast, women should be more willing than men to display physical attractiveness to advertise their reproductive value.

Our results supported the basic cognitive model of mate attraction (Roney 2003). Ads featuring desirable women led to an increase in mate-attraction tactics among men: Levels of financial investment in a romantic relationship were dependent on exposure to advertisements featuring opposite sex individuals. Following mating primes, men desired to invest more in a romantic relationship in an effort to increase their romantic appeal. In contrast, after exposure to desirable men, women advertised their feminine morphology. Using a breast rating scale, consisting of five drawings of women ordered by increasing breast size, women indicated that they preferred larger breasts after exposure to desirable opposite sex individuals.

We investigated the interaction between relationship preference style (committed versus uncommitted) and type of advertisement (parenting versus 'sexy'). Research indicates that individuals with a preference for committed relationships seek out romantic partners who will be likely to be good parents for their offspring. In contrast, individuals with a preference for brief uncommitted relationships prefer romantic partners who possess characteristic associated with physical attractiveness (Simpson and Gangestad 1992). Following this logic, we predicted that parenting primes (i.e., advertisements featuring individuals in positive interaction with a child) should affect individuals with a preference for committed relationships to a greater extent than physical attractiveness primes (i.e., advertisements featuring 'sexy' individuals). The opposite should hold for individuals who prefer brief uncommitted relationships. As predicted, commitment-focused men were more willing to invest in a romantic relationship (i.e., pay for a date) after exposure to parenting primes, whereas brief-relationship-focused men were more willing to pay after physical attractiveness primes. Similar effects were observed among women. Brief-relationship-focused women prefer larger breasts after exposure to physical attractiveness primes, whereas commitment-focused women prefer larger breasts after parenting primes.

The present research differs from earlier work by showing that the consequences of sexual imagery in advertising extend further than the evaluation of the product or brand. Two experiments demonstrate that advertisements featuring opposite sex individuals instigate consumption patterns geared towards attracting a romantic partner. Depending on the qualities one seeks in a potential partner, opposite sex individuals displaying specific desirable qualities (parenting vs. attractiveness) produce the strongest effects.

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## "Reconnection Through Consumption: Socially Excluded People Adapt Consumption Patterns to Serve Affiliation Needs"

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Humans have evolved as a hyper-social species and have a fundamental need for affiliation (Baumeister and Leary 1995; Buss and Kenrick 1998). When this need for affiliation is thwarted (e.g., by social rejection), people search for ways to forge new connections with others to re-establish social ties (Maner, DeWall, Baumeister, and Schaller 2007). The present research examined how the motivation to affiliate with others influences consumption. Specifically, in three experiments we examined whether people who are socially rejected (compared to people who are not socially rejected or who are socially accepted) would use consumption to forge new social bonds and promote affiliation.

Much research indicates that people use consumption behaviors as a way to form impressions of others. People's clothing serves as cue to their personality, people ascribe personality traits to users of specific products (Shavitt and Nelson 2000), and people form impressions of others based on cultural tastes (Belk, Bahn, and Mayer 1982). Recent research also indicates that people use consumption as a means to try and help achieve a temporarily activated goal. For example, using an evolutionary theoretical framework, Griskevicius and colleagues (2007) demonstrated that after activating men and women's motive to attract a romantic partner, people's consumption patterns shift in a specific manner that could help them fulfill their motive. Men with a romantic goal, for instance, signal their desirability as a potential mate through increased conspicuous consumption that can display wealth. Conversely, inducing a mating motive in women resulted in increased public helping to display prosociality.

Although an evolutionary perspective suggests that affiliation motives are likely to be a particularly strong driver of human behavior, little work has examined the influence of affiliation goals on consumption. To begin redressing this imbalance, we examined whether merely activating a motive to affiliate would influence people's consumption behavior. Specifically, in three experiments we tested whether people who had been socially excluded (compared to those who received negative non-social feedback or who had been accepted) would engage in consumption behaviors that could enhance their chances of affiliation.

In experiment 1, participants were led to believe that their partner declined to have a face-to-face interaction with them. The reason for the partner's departure constituted the rejection manipulation. Participants in the non-rejected condition were told that their partner had forgotten about an appointment, whereas participants in the rejected condition were told that their partner left the experiment because of a dislike for the participant. After the rejection manipulation, participants were given $10 (ostensibly for their participation) and were allowed to peruse products for sale in a laboratory store. Results indicated that rejected participants were more likely than non-rejected participants to purchase school spirit wristbands, a product symbolic of group affiliation and loyalty.

In experiment 2, participants were asked to indicate how much money they would be willing to pay for 10 products that were categorized as either conspicuous consumption items that are usually displayed in public (e.g., Rolex, Audi) or utilitarian items (e.g., rug, coffee maker). As predicted, socially excluded participants (compared to controls) were willing to pay more for conspicuous consumption items. However, there was no difference between the groups in willingness to pay for utilitarian items, suggesting that the effect of affiliation motives are specific to products that would be consumed publicly and could therefore be used as symbols of status and group membership. Additional data indicated that these findings could not be explained by differences in emotion or mood between the experimental groups.

In experiment 3, participants were led to believe they could anticipate a life devoid of social connections (social exclusion condition) or a life full of strong social connections (social acceptance condition). After the manipulation, participants were told that they would be having a discussion with another person. Before the discussion, however, participants reviewed a questionnaire that was purportedly completed by their partner—the partner was depicted as either a lavish spender or a frugal spender. Participants' desire for an expensive watch (lavish product), a Sam's Club Membership (frugal product), and Netflix service (neutral product) were then assessed. As predicted, for participants expecting to meet a lavish spender, social exclusion increased desire for a luxurious watch. In contrast, for participants expecting to meet a frugal spender, social exclusion increased desire for a Sam's Club Membership. There were no differences in willingness to pay for Netflix service between groups.

In sum, the present studies indicate that people who are socially excluded adjust their consumption patterns in a manner that could increase their chance of forging social bonds. The present research highlights how social motivations such as affiliation can influence consumption patterns, and how an evolutionary theoretical perspective can provide a useful framework for understanding, predicting, and testing consumption behaviors.

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**"Emergent Affiliation through Non-Verbal Goal Contagion Effects in Shared Experiences"**

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Imagine going on a blind date to a movie with someone. Your partner in the experience may have very different goals during the experience compared to you. The question that we address in this paper is whether people are so sensitive to non-verbal cues during the experience that they can sense whether they share the same or different goals in the experience, and whether such a sense of rapport can predict subsequent evaluations of the experience.

Consistent with an evolutionary perspective on the goal of affiliation and social mimicry, recent work has shown that people tend to adopt others' moods and feelings upon observing their emotional expressions. A common finding in this research is that people's expressions of emotions may rub off on each other so that people acting together come to catch each others' moods, eventually even moving up and down together in a shared emotional rhythm (Neumann and Strack 2000; Totterdell et al. 1998). Further, people can often sense and adopt the goals of others outside of awareness (Aarts, Gollwitzer, and Hassin 2004). Thus, even if people do not initially know the goal that a partner is pursuing, they obtain emotional feedback that confirms or disconfirms their expectations of their partner's goal pursuit, which in turn leads to a feeling of being matched or mismatched. Thus, emotional expressions carry information not just about what a partner is feeling, but also about the goals that he or she is currently pursuing.

In our first study, we manipulated the goals that participants had during a viewing experience, whereby the goals were either matched or mismatched. Specifically, we instructed participants to observe a humorous video clip with the goal of enjoying it or evaluating it. These instructions thus created three possible combinations of goals that people might have while sharing an experience–a) both individuals may have a consummatory motive of enjoying the experience, b) both individuals may have an instrumental motive of critically evaluating or judging the experience, and c) one of the individuals may want to enjoy the experience while the other may want to evaluate it. Participants were not told what goal had been assigned to their partner. Online ratings on a continuous scale (0=dislike very much, 10=like very much) were collected every second for both participants via a joystick. We ran a cross-spectral analysis on the resultant time series to determine how people's evaluations covaried at different frequencies–that is, whether evaluations converged in short (every 2 to every 28 seconds) or long cycles (every 30 seconds or less often). Short cycle covariation would suggest that people were picking up non-verbal cues through frequent glances at each other, while long-cycle covariation would suggest that the effects were more subtle and indicative of long-run affiliation.

We found that matched goals (regardless whether goals were instrumental or consummatory) led to greater covariation in both the short and long cycle range. However, when both forms of covariation were included as predictors of retrospective evaluations (controlling for individual level peak and end affect), only long cycle covariation was significant, suggesting that the enjoyment of a shared experience depends on subtle affiliation rather than overt agreement or disagreement on the goals one brings to the experience.

In a second study, we included an individual difference variable (self-monitoring) to see if the effects obtained above were moderated by the degree to which people were sensitive to social cues. Once again, we used the same humorous video clip and captured online evaluations via a joystick. The resultant time series were analyzed using cross-spectral analysis, which yielded measures of short and long cycle covariance. In the short cycle range of frequencies, we found two main effects–people with matched goals had a greater covariance compared to those with mismatched goals, and high self-monitors had a greater covariance compared to low self-monitors. In the long cycle range of frequencies, we obtained the same main effects, and also found an interaction such that for people with matched goals, covariance was higher for high versus low self-monitors; while for those with mismatched goals, there was no difference in covariance across levels of self-monitoring. It thus appears that high self-monitors seem especially adept at sensing subtle affiliation cues when they share the same goals with others.

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# Advances in Regulatory Focus and Regulatory Fit Theory: Effects on Consumer Search, Consumer Satisfaction, and Self-Control

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## SESSION OVERVIEW

There has been a renewal of interest in motivational explanations of consumer behavior. A primary driver of this renewed interest has been the field's recognition that consumer motivation should be conceived not only in terms of motivational *intensity* (cf. the popular concept of involvement) but also in terms of motivational *content*. As recently outlined by Pham and Higgins (2005), regulatory focus theory (Higgins 1997) provides a powerful framework for studying the role of motivational content in consumer behavior. *Regulatory focus theory* suggests fundamental differences between two modes of self-regulation called promotion and prevention that primarily differ in terms of strategic means during goal pursuit. Whereas promotion uses primarily approach means to attain desired end-states, prevention uses primarily avoidance means to attain desired end-states. This theory has achieved a great deal of attention from consumer researchers, and has proven to be a powerful predictor of how consumers respond to marketing communication and how they make decisions.

Recent research on the concept of *regulatory fit* (Higgins 2000) indicates that the pursuit of a goal in a manner that "fits" the person's regulatory orientation creates a subjective experience of "feeling right" that increases the person's motivational engagement and enhances the perceived value of the goal pursuit (e.g., Avnet and Higgins 2006; Wang and Lee, 2006). Regulatory fit theory implies a broader conception of the notion of value. Whereas value has historically been associated with the hedonic experiences of pleasure and pain, there is growing evidence that value also accrues from the *strength of engagement* (Higgins 2006). A person's strength of engagement, and the perceived value, increases under conditions of regulatory fit

The four presentations in this session further extend our understanding of how regulatory focus and regulatory fit influence consumer decision making, self- regulation and value. The first presentation by Tory Higgins, the father of regulatory focus and regulatory fit theory, examines value as not only a hedonic experience but also as an experience of motivational force whereby strength of engagement contributes to the intensity of the motivational force experience. The contribution to value by strength of engagement provides important new insights on what value is and how it is created. Tory Higgins will consider two sources of engagement strength in his presentation—the *use of proper means* when making a decision (What *is* right), and *regulatory fit* between the regulatory orientation of decision makers and the strategic ways they make their decision (What *feels* right). Experimental evidence demonstrates how these sources of engagement strength can intensify people's value reactions to their choices, including how much money they are willing to offer to buy their choices.

The second presentation Michel Pham and Hannah Chang examines the effects of regulatory focus on consumer search and consideration sets in decision environments with a large number of alternatives. The findings from four experiments show that promotion- and prevention-focused consumers do not differ in total amount of information searched, but promotion-focused consumers tend to search for alternatives in a more global, top-down fashion, whereas prevention-focused consumers tend to search for alternatives in a more local, serial fashion. In addition, promotion-focused consumers tend to have larger consideration sets than prevention-focused consumers. Finally, they find found that aligning the decision environment with the search and consideration inclinations of promotion- and prevention-focused consumers produces an experience of regulatory fit that increases the subjective value that the consumers attach to the offer.

In the third paper, Remi Trudel, Kyle Murray and June Cotte investigate the relationship between motivation and satisfaction-more specifically-how consumer satisfaction with a product is affected by an individual's regulatory focus. In two experiments, the authors demonstrate that differences in regulatory focus ultimately influence consumer satisfaction, and that post-consumption evaluations are different under promotion than under prevention. The results from both studies show a significant disconfirmation x goal interaction. More specifically, participants reported greater levels of satisfaction as a result of a positive product experience under promotion than under prevention, and greater levels of dissatisfaction with a negative product experience under promotion than under prevention. The findings from this research demonstrate the importance of motivation and goal orientation on post-consumption evaluations of products and consumer satisfaction.

Finally, Jiewen Hong will report an investigation on how regulatory fit contributes to self-regulatory success. The findings form four studies demonstrate how regulatory fit improves self-regulatory performance whereas nonfit decreases and impairs self-regulatory performance. Convergent evidence as demonstrated by participants' physical endurance, their willpower to resist temptation, and their intention to comply with disease detection behaviors support the hypothesis that regulatory fit improves self-regulation whereas regulatory nonfit impairs self-regulation. This research highlights the impact and importance of regulatory fit on self-regulation and further sheds light on how self-regulation effectiveness may be improved or impaired.

All presentations will be 15-20 minutes long with 3 minutes of questions after each presentation. The empirical work for all four presentations has been completed and all authors have agreed to attend and present their work. We believe that the session will appeal to a broad range of consumer researchers. In particular it should appeal to those interested in: (a) regulatory focus and regulatory fit theory, (b) more broadly, motivational approaches to consumer behavior, (c) consumer judgment and decision making, and (d) consumer self-control and self-regulation processes.

### "Where Does Value Come From"
*E. Tory Higgins, Columbia University*

What is value? Where does value come from? For centuries, these questions have been central to understanding people's motivation and decision-making. Not surprisingly, there have been many different answers to these questions, including that value is the experience of pleasure and pain. I propose that value is, indeed, a hedonic experience, but it is not only that. It is also an experience of motivational force-experiencing the force of attraction toward something or repulsion away from something. Because it is a *motivational force* experience and not only a hedonic experience,

there can be contributions to the overall experience of value other than hedonic experience. Specifically, I propose that *strength of engagement* contributes to the *intensity* of the motivational force experience-the intensity of attraction to or repulsion from something. The hedonic properties of a value target contribute to engagement strength, but there are also other factors-separate from the target's hedonic properties-that influence engagement strength and thus contribute to the intensity of attraction or repulsion. Because their contribution derives from their effect on engagement strength, these additional factors can contribute to a value target's attractiveness or repulsiveness regardless of whether they themselves are pleasant or unpleasant. For example, the unpleasant experience of opposing an interfering force while moving toward a positive target, such as removing a barrier that is blocking the path to a goal, can intensify the target's attractiveness. It is the contribution to value of these additional sources of engagement strength that provides new insights on what is value and how it is created.

In conceptualizing value, my starting point is the position of Kurt Lewin. For Lewin, value is a force that has direction and strength. I follow Lewin's lead but postulate a force experience that has direction and strength or intensity. Experiencing something as having positive value corresponds to experiencing attraction toward it (i.e., trying to move in the direction toward it), and experiencing something as having negative value corresponds to experiencing repulsion from it (i.e., trying to move in a direction away from it). The directional component of the value force experience (i.e., attraction versus repulsion) is critical to the psychology of value. This is why the hedonic experiences of pleasure or pain are so important. "Cognitive" sources of value can also influence the experience of direction. For example, shared beliefs about what is desirable and what is undesirable-both social values and personal ideals and oughts-directly determine what has positive value and what has negative value. But value experiences have more than direction. They also vary in strength or intensity so that the experience of attraction can be relatively weak or strong (low or high positive value), and the experience of repulsion can be relatively weak or strong (low or high negative value). The contribution of strength of engagement to the value force experience is not through an influence on direction but through its influence on the intensity of attraction or repulsion. The hedonic nature of a value target also contributes to value intensity through its impact on engagement strength, but it is not the only determinant of engagement strength. The purpose of this paper is to highlight the contribution to engagement strength, and thus to value intensity, from sources other than the value target's hedonic properties.

What is critical here is the notion that value is not just an experience of pleasure or pain but an experience of the force of attraction toward or repulsion away from something. Value involves an experience of the intensity of a motivational force and not just a directional experience of pleasure versus pain. *Although the hedonic nature of a value target contributes to the intensity experience through its influence on engagement strength, there are other sources of engagement strength that are independent of the value target's hedonic properties.*

Two sources of engagement strength are investigated; the *use of proper means* when making a decision (What *is* right), and *regulatory fit* between the regulatory orientation of decision makers and the strategic ways they make their decision (What *feels* right). Experimental evidence of how these sources of engagement strength can intensify people's value reactions to their choices, including how much money they are willing to offer, are presented.

### "Regulatory Focus and Regulatory Fit in Consumer Search and Consideration of Alternatives"
*Michel Tuan Pham, Columbia University*
*Hannah Chang, Columbia University*

Regulatory focus theory (Higgins 1997) provides a powerful framework for studying the role of motivational content in consumer behavior. The theory has proven to be a powerful predictor of how consumers make decisions. However, such investigations have generally focused on the later stages of the decision making process, especially the formal evaluation and the choice stages. Much less is known about the effects of promotion and prevention on *earlier* stages of the decision making process. This research examines the effects of regulatory focus on consumer search and consideration of alternatives in decision environments with a large number of alternatives. We focus on these environments because they are becoming increasingly common and by their very nature make the analysis of search and consideration processes particularly instructive.

Consistent with theoretical propositions recently advanced by Pham and Higgins (2005), results from four experiments show that (a) promotion- and prevention-oriented consumers do not differ in sheer amount of information searched, but (b) promotion-oriented consumers tend to search for alternatives in a more global, "top-down" fashion, whereas prevention-oriented consumers tend to search for alternatives in a more local, serial fashion, and (c) promotion-oriented consumers tend to have larger consideration sets than prevention-oriented consumers. In addition, making the decision environment more consistent with the search and consideration inclinations of promotion- and prevention-oriented consumers increases the subjective value that these consumers attach to the offer, apparently because of the decision environment "feels right"—a phenomenon known as *regulatory fit* (Higgins 2000).

In the first experiment, participants who were put in a promotion or prevention focus by a situational prime were asked to make a three-course dinner selection from a fictitious restaurant's "prix-fixe" menu. The selections were done with a computerized version of the menu that allowed unobtrusive tracing of participants' search. As predicted, promotion- and prevention-focus participants searched equivalent amounts of information, but allocated their search effort differently. Promotion-focus participants searched the menu in a more global, "top-down" manner, whereas prevention-focused participants tended to search in a more local, serial fashion. In addition, promotion-focused participants had larger consideration sets than prevention-focused participants. The second experiment successfully generalized the results of the first experiment (a) with a separate and even more subtle prime of regulatory focus, asking participants to reflect on their personal ideals or personal duties (see Pham and Avnet 2004), and (b) in a different product domain: movie choices, asking participants to search for two movie rentals from the actual Blockbuster.com website.

Experiment 3 tested the prediction that promotion-focused consumers would value alternatives more when presented in a decision environment conducive of a global, top-down search than when presented in an environment consistent with a local, serial search, and the opposite pattern for prevention-focused consumers. As in Experiment 1, participants who were put in a promotion- or prevention-focus were asked to make a three-course dinner selection from a restaurant's prix-fixe menu. Two versions of the menu were used, presenting the same dishes either (1) in its original hierarchical structure (as in Experiment 1), or (2) in a list format. It was predicted that, among promotion-focused participants, the hierarchically-structured menu would "feel right," which would lead them to assign greater values to menu offering than an

equivalent menu organized in a list format. In contrast, among prevention-focused participants, it is the menu in a list format that would "feel right" and lead them to assign greater value to the offering compared to a hierarchically structured menu. As predicted, respondents in either regulatory focus were willing to pay significantly more when the offered menu was structured in a way that fit their search inclinations than one that did not fit these inclinations.

Experiment 4 demonstrated that promotion-focused consumers value alternatives more favorably when part of larger sets of offerings than when part of smaller sets, whereas prevention-focused consumers exhibit the opposite pattern. As in experiment 1, participants who were put in a promotion- or prevention-focus were asked to make a three-course dinner selection from a restaurant's prix-fixe menu, featuring either 3 possible dishes per course or 12 possible dishes per course. (A careful counterbalancing scheme was followed to ensure that the dishes remain statistically equivalent across conditions.) Results showed that participants in either regulatory focus were willing to pay a higher price when given a menu offering option set sizes consistent with their consideration set sizes than inconsistent ones.

### "The Effect of Regulatory Focus on Satisfaction"
*Remi Trudel, University of Western Ontario*
*Kyle Murray, University of Western Ontario*
*June Cotte, University of Western Ontario*

The extant satisfaction literature offers little insight into the effects of motivation and consumer goals on satisfaction. Yet it should be obvious that motivations and goals are important antecedents to any purchase; we argue these antecedents also ultimately effect consumer satisfaction. The purpose of our research is to investigate the relationship between motivation and satisfaction. More specifically, this research investigates how consumer satisfaction with a product is affected by an individual's regulatory focus.

Higgins (1997) distinguishes between two types of regulatory focus: promotion and prevention. The two types of regulatory focus result in fundamentally different goals toward a desired end state-satisfaction. Promotion is characterized by approach-oriented regulation, and the eager pursuit of goals of advancement, aspiration and accomplishment (what Higgins calls "maximal" goals). Prevention, on the other hand, is characterized by avoidance-oriented regulation, and the vigilant pursuit of goals of security, protection and responsibility ("minimal" goals). Its argued that pleasure from a positive outcome is more intense under promotion than under prevention, based on the notion that the attainment of maximal goals should lead to higher levels of satisfaction than the attainment of minimal goals. Regulatory focus theory also suggests that post-consumption evaluations of dissatisfaction and regret will be different under promotion versus prevention. Outcome-regret levels are expected to be different, depending on regulatory orientation, since promotion-focused individuals are more concerned with errors of omission and prevention-focused individuals are more concerned with errors of commission (Pham and Higgins 2005). Prevention should therefore lead to conservative evaluations in both positive and negative outcome situations in an effort to avoid errors of commission. In two experiments we demonstrate that these differences in regulatory focus ultimately influence consumer satisfaction, and that post-consumption evaluations are different under promotion than under prevention. Both experiments use a priming manipulation of ideals and oughts developed in prior research to access the participant's temporary promotion and prevention focus (Pham and Avnet 2004). Both experiments also employ the confir-

mation/disconfirmation paradigm commonly used in prior satisfaction research (Fournier and Mick 1999).

In experiment one, satisfaction with a common consumption good, coffee, was investigated using a 2 (disconfirmation: positive vs. negative) X 2 (goal orientation: ideals vs. oughts) between subjects design. The positive disconfirmation (PD) manipulation involved serving a *hot* cup of premium coffee. The negative disconfirmation (ND) manipulation involved serving very weak *warm* coffee to which baking soda had been added. As hypothesized, the results showed a significant disconfirmation x goal interaction. More specifically, participants reported greater levels of satisfaction with good coffee under promotion than under prevention, and greater levels of dissatisfaction with bad coffee under promotion than under prevention.

In experiment two, participants reported their satisfaction with a camera by evaluating photos allegedly taken with the camera. Three key attributes were selected and manipulated: color, clarity, and sharpness. Each attribute varied on only two levels to operationalize performance, and hence disconfirmation. In the positive disconfirmation condition photo quality in all three photos was consistently good, whereas in the negative disconfirmation condition photo quality was consistently poor. The results from experiment two are consistent with the findings of our initial experiment, and provide more convincing evidence that motivation and goal orientation influence post-consumption evaluations of satisfaction. Participants reported higher product performance evaluations, were happier with the product, and more satisfied with a positive product experience under promotion than prevention. We also found that participants reported lower product performance, were less happy with the product, and less satisfied with a negative product experience under promotion than prevention.

The central tenets of regulatory focus theory suggest that individual decision makers assign different importance to the same decision, depending on their regulatory orientation or their means of goal pursuit. For the first time, the findings from our research demonstrate how this effect carries over into the domain of consumer satisfaction. This research provides strong support for the need to integrate motivational dimensions of decision-making in future research investigating consumer satisfaction.

### "Be Fit and Be Strong: Mastering Self-Regulation through Regulatory Fit"
*Jiewen Hong, Northwestern University*
*Angela Y. Lee, Northwestern University*

Regulatory fit (nonfit) occurs when the manner of goal pursuit sustains (disrupts) the individual's regulatory orientation; as a result, their motivational intensity during goal pursuit is intensified (Idson, Liberman, and Higgins 2004). Recent research shows that motivation plays an important role in successful self-regulation. Motivation can compensate for a depletion of regulatory resources (Muraven and Slessareva 2003); and when people are de-motivated, they show a deficit in self-regulation (Baumeister et al. 2005). The current research extends prior research by examining how regulatory fit contributes to self-regulatory success. Four studies tested the hypothesis that regulatory fit improves self-regulatory performance whereas regulatory nonfit impairs self-regulation.

Study 1 tested this hypothesis using a physical endurance task. Regulatory fit is operationalized using the regulatory fit questionnaire (Freitas and Higgins 2002). Participants were first asked to squeeze a handgrip and hold it for as long as they could. They were then instructed to do a free thought-listing task with the condition that they were to not think about a white bear during the task

(Wegner et al. 1987), which served to deplete their regulatory resources. Afterwards, participants performed the handgrip task again. The regulatory fit manipulation was introduced at this point, after which participants performed the handgrip task again. Results showed that participants' handgrip performance was facilitated by the fit manipulation, but impaired by the nonfit manipulation.

Study 2 replicated the findings in the context of resisting temptations. Participants were randomly assigned to one of three conditions: regulatory fit, regulatory nonfit, or control. The same regulatory fit manipulation as in study 1 was used. After participants completed the manipulations, they were offered a choice between a chocolate bar and an apple for a snack as a token of appreciation for their participation. Consistent with our hypothesis, participants in the fit condition were more likely to choose the apple over the chocolate bar as compared to those in the control condition, whereas participants in the nonfit condition were more likely to choose the chocolate bar.

Study 3 tested our hypothesis using a different operationalization of regulatory fit in a consumer-relevant context. Another objective was to examine whether individuals would naturally choose goal pursuit strategies that fit with their regulatory focus. Research has shown that promotion-focused individuals experience fit when they make decisions based on feelings whereas prevention-focused individuals experience fit when they make their decisions based on reasons (Avnet and Higgins 2006; Pham and Avnet 2004). We first measure participants' chronic regulatory focus, and then asked them to evaluate an advertisement based either on their feelings or on reasons. Some of the participants were given the opportunity to choose how they evaluate the advertisement, and others were assigned to one of the two conditions. After evaluating the advertisement, participants were offered a choice between a chocolate bar and an apple, which served as our dependent variable. We found that in the free choice condition the probability of participants choosing to evaluate the advertisement in a "fit" way was no better than chance. However, regardless of whether they were assigned or chose the evaluation strategy, those who evaluated the advertisement in a (non)fit way were more (less) likely to choose the apple over the chocolate bar compared to the control.

Finally, study 4 examined the mechanism and the boundary conditions of the fit effect in a health-related context. We hypothesized that the effects of regulatory fit on self-regulation operate through increased motivational intensity. This suggests that the effect of regulatory fit should be most apparent when people are less involved. Thus, we manipulated involvement by varying participants' perceived risk of contracting hepatitis and observed how regulatory (non)fit influence their willingness to get tested. All participants first read a message regarding the importance of being tested for hepatitis, which contains the perceived risk manipulation. This was followed by the same regulatory fit manipulation as in study 1. Persuasiveness of the message did not differ across the four conditions. Finally, participants' intention to get tested for hepatitis was measured. Consistent with our hypothesis, when participants perceived themselves to be at risk, regulatory fit had no effect on their intention to get tested for hepatitis. However, when participants did not perceive themselves to be vulnerable, those who experienced fit were more likely to get tested for hepatitis than those who experienced nonfit. We found that this effect was mediated by intensified motivation and could not be explained by message persuasiveness.

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SYMPOSIA SUMMARY
# Advances in Judgmental and Inferential Heuristics
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## SESSION OVERVIEW

To deal with the complexities of the world and with the cognitive constraints in facing these, people use heuristics to facilitate their everyday judgments and decisions. Since Tversky and Kahneman's (1974) seminal work, much progress has been made in research on heuristics and biases, as shown, for example, by two classical volumes of selected papers on this topic (Kahneman, Slovic, and Tversky, 1982; Gilovich, Griffin, and Kahneman, 2002). Within the consumer behavior field, a large body of research has examined the impact of various judgmental and inferential heuristics on consumer decisions. For example, availability or ease of retrieval has been shown to affect consumer judgments of product failure (Folkes, 1988), consumer recommendations and purchase intentions (Menon and Raghubir, 2003), and consumer evaluations of products (Tybout et al, 2005). Consumers also use their affect as information in making product and other consumer related evaluations (Adaval, 2001; Bickart and Schwarz, 2001; Pham, 1998). Furthermore, anchoring systematically affects consumer valuations (Ariely, Loewenstein, and Prelec, 2003; Simonson and Drolet, 2004), quantity purchase decisions (Wansink, Kent, and Hoch, 1998), and attitude formation (Cohen, Reed II, 2006; Lynch, 2006), to name just a few.

Despite the extensive research done in this field over the years, this session demonstrates that it remains a fertile area for continued research. The session presents three papers, each of which introduces a previously undiscovered heuristic that consumers use in their judgment and decision processes. The first paper examines how consumers' valuations of objects and experiences affect judgments of frequency, supply, and duration. The second paper studies consumers' use of a metaphoric link between vertical position and cardinal direction to infer traveling costs, which in turn systematically affects consumers' preferences and choices. The third paper shows how the consequences of events affect consumers' inferences of the causes of these events.

Dai, Wertenbroch, & Brendl demonstrate in seven studies that consumers use the value of things to infer their relative frequency, quantity, and duration. Specifically, they judge what is more valuable as relatively scarcer. In the first four studies, they show that both inherent as well as experimentally induced value affect consumers' relative frequency judgments. Another three studies extends these findings to quantity as well as duration judgments. The results suggest that consumers underestimate the supply of what they value and thus make suboptimal purchase decisions.

Nelson & Simmons show that the metaphoric link between cardinal direction and vertical position affects consumers' price expectations and shopping decisions. Specifically, consumers implicitly associate "north" with "up" and "south" with "down," which is corroborated by IAT results. Furthermore, this association systematically affects consumers' expectation of traveling costs, consumer's intention to redeem coupons at shops located in the south versus north of a reference point, as well as consumers' store choice decisions.

Finally, LeBoeuf & Norton discuss consumers' inferences of the causes of events from their outcomes. They find that consumers use an outcome-cause matching strategy to make causal inferences. That is, a given event has a large cause if that event has a large outcome, but a small cause if the outcome is small. Across a series of studies, this outcome-cause matching effect is shown to hold along the magnitude and valence dimensions, with events in various domains.

Overall, the three papers were chosen for this session because (1) they unearth previously undiscovered strategies of consumer judgments and inferences that can cause surprising and serious biases and (2) they all share the same underlying process–attribute substitution-proposed by Kahneman and Frederick (2002). That is, whenever an attribute (the target attribute) of the judgmental object, which one wants to assess, is less readily assessed than a related property (the heuristic attribute), people may unwittingly substitute the simpler assessment of the heuristic attribute for the assessment of the target attribute. In the first paper, the target attribute is the relative frequency, quantity, or duration of a category, the heuristic attribute is the relative value of the category. In the second paper, the target attribute is the traveling cost to the shopping destination and the heuristic attribute is the cardinal direction. In the third paper, the event cause is the target attribute and the event outcome is the heuristic attribute. In most situations, the heuristic attribute and the target attribute are correlated. However, as demonstrated in the papers in this session, when the heuristic attribute is not diagnostic of the target attribute, the substitution process can bias judgments and thus lead to suboptimal consumer decisions. Together, the three papers form a cohesive set of explorations into some fundamental characteristics of consumer judgments and decision making. The session shows that research on heuristics and biases is alive and well by providing evidence of three completely new heuristics.

## EXTENDED ABSTRACTS

### "The Value Heuristic"
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Research in psychology and economics has shown that people tend to judge what is scarcer as more valuable, which Cialdini (2001) called scarcity principle. We demonstrate a reversal of this scarcity-valuation link. That is, people heuristically infer what is more valuable as relatively scarcer. Across seven studies, we demonstrate the operation of this value heuristic in consumer judgments of relative frequency, quantity, and duration.

In study 1, respondents underestimated the proportion of portraits of the opposite gender after they had seen and evaluated a series of male and female portraits appearing in a random order on a computer screen. Assuming that people prefer to look at portraits of the opposite gender, our respondents underestimated the relative frequency of the more valuable portraits. In study 2, we manipulated stimulus value directly, using two subsets of portraits, each with equal proportions of female and male faces. One subset included only attractive faces of both genders, the other only unattractive faces. Consistent with the value heuristic, both male and female respondents underestimated the frequency of portraits of the more desirable category (i.e., of attractive faces of the opposite gender) relative to the frequency of the less desirable category (i.e., of attractive faces of the opposite gender), whereas there was no such difference for unattractive faces.

To test whether these findings arose from an inferential retrieval heuristic rather than from a perceptual encoding effect, studies 3 and 4 induced a value difference only at the point of retrieval. In study 3, we first asked participants to evaluate a series of 50 bird and 50 flower pictures, one at a time, appearing in a random order. Subsequently, we told them that they would receive ¢2 for each occurrence of the target category (either birds or flowers); respondents flipped a coin to decide for which category they would get paid. After that, they estimated the number of pictures in each category. Those who were paid for flower pictures estimated that they had seen fewer flower pictures than bird pictures, whereas those who were paid for bird pictures estimated that they had seen fewer bird pictures than flower pictures. Study 4 tested the value heuristic for stimuli presented simultaneously rather than sequentially. Participants were first asked to memorize nonsensical blue and red letter combinations, presented to them on a computer screen. After that, participants again flipped a coin to determine whether they would get paid ¢2 for each red or each blue letter combination they had been presented. Finally, we asked participants to estimate the frequency of the two categories. Again, participants estimated the more valuable category as relatively scarcer.

We also examined the value heuristic in quantity and duration judgments. In study 5, we asked respondents to estimate how many units of an attractive item (a $50 offer of an almost new Sony TV set) were available on ebay.com at a given moment. We manipulated the salience of the value of this offer by varying whether or not respondents rated its attractiveness before estimating the supply. Respondents who provided attractiveness ratings estimated a lower supply than those who had not rated the attractiveness of the offer; making stimulus value salient lowers quantity estimates. In study 6, participants first listened to a 90 second music clip. To manipulate respondents' valuations of the clip, we then asked them either for their willingness to accept (WTA; to induce a negative perception) or for their willingness to pay (WTP; to induce a positive perception; see Ariely, Loewenstein, and Prelec, 2006) to listen to the clip. Next, respondents estimated the duration of the music. As predicted by the value heuristic, duration estimates in the WTP condition were shorter than those in the WTA condition. Finally, study 7 manipulated value by asking participants to rate their liking of a music clip either before or after the duration estimation task. Similar to study 4, we predicted that liking ratings would make value salient and thus affect subsequent duration judgments. The results confirmed our hypothesis. For attractive music clips, rating liking before the duration estimation task decreased duration estimates; interestingly, for unattractive music pieces, rating liking increased duration estimates, which may point to a "negative value heuristic," such that consumers estimate unattractive objects to be more abundant than they are.

The value heuristic may have functional origins as valuable things are typically scarce, prompting us to work harder to obtain them. However, our findings have possible implications of dysfunctional behavior in a number of areas. For example, the value heuristic may yield an intuitive misunderstanding of the basic economic relationship between value and supply, giving rise to market inefficiencies. If people heuristically use their subjective valuations as information to estimate supply, they may well underestimate the supply of what they value. Second, it is well established in economics and psychology that perceived scarcity enhances stimulus valuation. Coupled with these scarcity effects, a value heuristic may turn people into value pumps. If scarcity increases valuation, and if, in turn, value enhances perceived scarcity, then repeatedly alternating between valuation and frequency estimation might turn people into value pumps. Finally, the value heuristic may

impact search behavior; consumers may stop searching for valuable alternatives too soon if they underestimate their true frequency of occurrence (e.g., during an online search of attractive hotels).

## "On Southbound Ease and Northbound Fees: Literal Consequences of the Metaphoric Link between Vertical Position and Cardinal Direction"

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Consumers' price expectations and shopping destinations are informed by judgments of distance and time. For example, to inform their purchasing decisions, people often try to identify which store is closer, which mode of transportation will be faster, and which freeway will have less traffic. Indeed, the minimization of distance and time plays a critical role in consumer decision making (Bell, Ho, and Tang 1998).

Different lines of research have emphasized how consumers fail to minimize travel, even when presented with an accurate map of the travel route. For example, when presented with a schematic map for airline travel, consumers show a preference for a route that continuously progresses towards the final goal, even if it takes longer than a comparable indirect route (Soman and Shi 2003). Furthermore, when shown a map featuring a number of stops on a possible shopping trip, consumers minimize the distance between stores even when it means traveling further from home and lengthening the total trip distance (Brooks, Kaufmann, and Lichtenstein 2004).

Particularly pertinent for the research presented here are findings suggesting that consumers may show consistent biases in their time and distance estimates even when presented with accurate maps of the trip. One set of findings, for example, showed that people underestimated distances in part because they were encoding travel times instead (Kang, Herr, and Page 2003). Another set of findings showed that underestimations of distance can be due to heuristic spatial processes that overemphasize direct distance (Raghubir and Krishna 1996). Indeed, a diverse set of studies show that consumers use a variety of psychological mechanisms to assess time and distance, and that these mechanisms often lead to counter-normative assessments.

In this paper we extend these findings by identifying a thus far undocumented influence on consumers' spatial perceptions. Across all of the studies detailed above, researchers identified perceptual processes by using an objective source of spatial information (e.g., a map) to evaluate consumer estimates of, and preferences for, different times and distances. Nevertheless, a long line of research has emphasized that consumers are not merely imperfect processors of useful information; they are also prone to improperly using useless information (Bastardi and Shafir 1998; Carpenter, Glazer, and Nakamoto 1994; Meyvis and Janiszewski 2002). With that in mind, we suggest that the metaphors that people use to describe spatial relations can affect their judgments of distance and time.

Whether making reference to living "up north" or "down south," we often use the language of vertical position to describe cardinal direction. Such a metaphorical link may not be merely linguistic; rather, it may alter our mental representations of spatial relations, and consequently influence our beliefs and judgments. As a result, we hypothesize that consumers may rely on this metaphor to infer that destinations to the north are slightly uphill, and therefore harder to get to. Further, this inference may increase price expectations for northward services, and decrease the willingness to shop at northward destinations.

In Study 1, response latencies in an IAT paradigm demonstrated a strong implicit association between "north" and "up" and "south" and "down." In Study 2, people were more likely to infer

that stimuli moving or facing downhill were oriented southward, despite the absence of any honest signals about cardinal direction. In Study 3, a secondary feature of downhill travel (i.e., ease of travel) showed similar effects. When people read about someone walking with ease, they were more likely to infer that she was walking south than when they read about someone walking with difficulty.

Next, we showed that these effects have consequence in consumer contexts. If people associate cardinal direction with slope, and slope with effort, then we expected to find corresponding effects in consumers' price expectations and choices. Consistent with this, people thought that it would be more expensive to ship to a northern city than to a southern city (Study 4) and they expected a moving company to charge more to move an apartment north than to move it south (Study 5). Study 6 investigated the implications of this metaphoric relationship for marketers' promotional efforts, finding that consumers expressed higher intentions to redeem a coupon that described an ice cream shop as south of a reference point than as north of a reference point. Finally, these effects were shown to depend on preferences for convenience. When people were choosing where to purchase an inexpensive item they were much more likely to choose a store to the south, presumably looking for the lowest effort option. When shopping for a much more expensive item, people were indifferent between the two options, reflecting a willingness to go to the higher effort northern location (Study 7). Taken together, these findings strongly suggest that the metaphor linking cardinal direction and vertical position can consequentially influence consumers' judgments, choices, and preferences.

### "Effects That Lead to Causes: Using an Event's Outcomes to Infer Its Causes"

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Imagine an event, such as a computer crash. That event could have many possible causes, ranging from the minor (e.g., a malfunctioning cooling fan) to the extreme (e.g., deliberate sabotage by a hacker). The event could also have many possible outcomes, ranging from mere inconveniences (temporary loss of email) to large-scale disruptions (loss of important documents). We examine how an event's eventual outcomes influence perceptions of its most likely cause, even when the outcomes are completely uninformative about the event itself.

In Study 1, participants read that a small country's beloved president was assassinated by one of his countrymen; a British newspaper then criticized the late president, sparking global protests. Some then read that Britain responded aggressively to the protests, triggering war, whereas others read that Britain peacefully resolved the issue. Participants were then asked whether the initial assassination was more likely to have been perpetrated by one man or by a conspiracy internal to that country. As predicted, participants more often chose the conspiracy (large cause) when Britain triggered war (large outcome) than when peace prevailed, even though Britain was unconnected to the assassination. A follow-up study showed that perceptions of whether United States President John F. Kennedy's assassination involved a conspiracy could similarly be manipulated by describing "large" versus "small" effects of his death.

To investigate this effect's generality, in Study 2, participants read about a zoo in which the animals caught a disease. Some learned that the disease had a large outcome (almost all of the animals died) whereas others learned that the outcome was minor (few animals died). Participants also learned that the zoo had recently acquired a "small new rabbit" and a "new fully-grown

bear" and were asked to choose which had most likely introduced the disease. The large cause (bear) was chosen more often when the disease's outcome was large than when it was small. Again, people think that large outcomes have (even literal, physical) large causes.

To examine this tendency in a consumer (product-failure) setting, in Study 3 participants read about a computer crash that destroyed a file containing a student's term paper. Participants either learned that the crash's outcome was severe (the professor did not grant an extension, so the student could not graduate) or mild (the professor granted an extension, and the student graduated as planned). Participants next indicated whether they thought the crash was more likely caused by an incorrectly installed cooling fan (small cause) or by an undetectable malicious virus (large cause). More selected the virus when the outcome was severe than when it was mild, even though the outcome was uninformative about the crash itself. Thus, the assignment of blame for a product failure may depend not just on the "local" circumstances of the failure itself, but also on the cascade of events that follow.

Having established widespread outcome-cause matching for size, we next explored whether people also match along another dimension: valence. Study 4's participants learned that a man was late for work because he did something thoughtless (started a fight with his wife) and then something thoughtful (stopped to buy his wife flowers). When the man was fired for being late, participants blamed his thoughtlessness for his lateness, but they blamed his thought*ful*ness for the lateness when his day turned out quite positively, even though the absolute amount of "lateness" was the same in each case. This finding suggests that outcome-cause matching may be connected to "just world" beliefs (e.g., Lerner and Miller 1978), inasmuch as people may attempt to justify bad (good) outcomes by attending more to the bad (good) aspects of prior behavior. Indeed, Study 5 revealed that participants high in just-world beliefs are more likely to select a cause that matches an outcome's valence than are those low in such beliefs. Thus, there may be a motivational component to the current effects, with outcome-cause matching arising more often among those who are motivated to see the world as a "just" and predictable place.

Study 6 further examined the underpinnings of the current effects. Some participants saw a film clip illustrating the butterfly effect (the idea that small changes can have large future consequences) but others saw a neutral, control clip. Participants then read the severe-outcome version of Study 3's computer crash. Those exposed to the butterfly effect were less likely to select a large cause for the severe outcome than those not so exposed, suggesting that outcome-cause matching (which may naturally be an accessible principle) can be supplanted if another causal schema is evoked instead. Interestingly, priming the butterfly effect had a larger impact among those high (versus low) in need for closure, suggesting that those who are most motivated to see the world as predictable are also the most likely to use the salient causal schema to explain the world, whether that schema involves matching or some other pattern (see Kruglanski 1987).

We thus suggest a regularity in causal reasoning: people rely upon an event's eventual outcomes to help them infer the event's prior causes, especially if they are motivated to make sense of the world and unless another causal schema is primed. This pattern is often reasonable (many large effects indeed have large causes), but such outcome-cause matching (reminiscent of the representativeness heuristic and referred to as the "resemblance criterion" by Nisbett & Ross, 1980, but never tested empirically) can lead people astray when outcomes are uninformative about potential causes. The current results have implications for theories of causal reasoning, and the implications for consumer behavior seem clear: for example, when a given product failure (*e. coli* contamination) has

a large outcome (many people die), consumers may be more likely to search for a large cause (corporate malfeasance) than when the failure is the same but the outcome is, for arbitrary reasons, smaller (many are sickened, but timely medical treatment prevents fatalities).

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# The Best Offense is a Good Defense: Consumers' Defense-Motivated Strategies and their Effects on Memory, Choice, Preferences and Tastes

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## SESSION OVERVIEW

In what ways are people strategic about maintaining their ability to recall previous special memories? Which are the psychological processes driving consumers' choice-motivated shifts in their preferences for product features? What role does motivation play in one's preferences regarding physical characteristics of a product, such as taste? The three lines of research presented in this symposium seek to answer these questions, which share the same underlying mechanism: consumers' defense-motivated strategies. This symposium provides a novel view and a deeper understanding of fundamental issues in the consumer research field, such as memory preservation, taste formation and choice. On a methodological note, the symposium also bridges between the "Behavioral" and "Empirical modeling" data analysis methodologies used in marketing research by showing how Bayesian techniques can be successfully used to analyze experimental data (paper 2).

As mentioned above, the three papers presented here are focused on defense-motivated strategies developed by consumers. These defense-motivated strategies usually serve a self-preserving goal. People may engage in attitude change to justify their choices (Brehm 1956), or may prefer to distort their memories in order to feel better about their past behavior (Mather, Shafir and Johnson 2000, 2003). Support for this contention is found in studies of cognitive dissonance (Festinger 1957) and the motivated reasoning framework (Kunda 1990), which proposes that motivation affects people's reasoning through their reliance on a biased set of cognitive processes (Chernev 2001). An extensive body of literature has analyzed these defense-motivated strategies and their effects on information processing (Russo, Medvec and Meloy 1996), choice (Chernev 2001, Kivetz and Simonson 2000), repeated purchase (Sen and Johnson 1997), information search (Hoch and Ha 1986, Klayman and Ha 1987) and memory distortions (Mather, Shafir and Johnson, 2000, 2003), to name a few. However, as pointed out above, there are important questions that remain unanswered, some of which will be addressed in this symposium.

In paper 1, Kim, Zauberman and Ratner test the *memory protection through acquisition* hypothesis, a novel view on how consumers try to preserve their memories for special occasions in their lives. This hypothesis proposes that people seek to obtain products that they think will help them remember a special experience, even though they would forego these same items in the context of a non-special experience. Results from three studies suggest that individuals prefer products that are uniquely associated with a special memory rather than those that would not be associated with the memory or associated with both a special memory and a memory that is less special. In addition, consumers' desire for these memory pointer products is enhanced when people are led to believe that their memories are weaker.

Paper 2 (Zemborain, Johar and Ansari) analyzes the psychological processes governing choice-supportive distortions, or the defense-motivated mechanisms used by consumers to justify their choices. Unlike previous research based on dissonance theory (Festinger 1957) which focused on how people tend to justify their choices by increasing their liking or ratings to favor their chosen products (i.e., the spread of alternatives effect), in this paper the authors analyze how choice may shift consumers' preferences at the product feature level. Results from the first experiment show that after making a choice, people prefer positive features of their chosen products and negative features of their not chosen options, presumably to justify their choices. Previous research showed that people may distort their memories for past options in a choice supportive fashion; such that positive features are attributed to chosen products and negative features are attributed to forgone alternatives (Mather, Shafir and Johnson 2000, 2003). These findings, together with results from study 1, led the authors to hypothesize that based on these attributions people would change the attribute weights such that positive features attributed to chosen products and negative features attributed to forgone alternatives would become more important. Furthermore, if these changes in attribute weights implied a choice-defensive strategy, then such modifications should take place only when individuals were highly confident about their feature source attributions. Results from study 2 support these predictions. The moderating effect of confidence in the individuals' attributions suggests that these changes in attribute importance weights are indeed a defense-motivated strategy used by consumers to justify their choices.

Paper 3 (Riis and McClure) seeks to answer the question regarding whether taste change can be facilitated by motivation. Specifically, this research explores the possibility that consumers' concerns about health may lead to an actual change in the liking of a product. Results from the first experiment show that regular Coke drinkers who are highly concerned with health-related issues (i.e., motivated) expect to improve their liking for Diet Coke if asked to drink this soda during a hypothetical two week consumption period whereas regular Coke drinkers who are not concerned with health-related issues (i.e., unmotivated) expect to like Diet Coke even less when exposed to the same hypothetical situation. In study 2, heavy drinkers of regular cola refrained from drinking that soda for two weeks, consuming instead daily servings of Diet Coke. Results from a blind test showed a marked increase in liking for Diet Coke for all participants. However, in non-blind tests only participants who had a high concern for the health consequences of sugared soda consumption reported increased liking for Diet Coke. Furthermore, this group reported a greater increase in intention to purchase Diet Coke in the future.

Taken together, the three papers investigate how people develop defense-motivated strategies in fundamental aspects of their behavior, such as memory preservation, taste formation and choice. This symposium offers a novel and comprehensive view of the topic, and contributes to the field delivering a deeper understanding of this phenomenon. The symposium also benefits from the participation of Professor Fishbach as discussant. Her expertise on motivation and self-control ensures rich conclusions and suggestions for future research based on the work presented here.

The three papers contribute to a research area that is relevant to ACR members interested in memory processes, motivation, intertemporal choice, preference formation, taste change, information processing, and judgment and decision making. Regarding the organization of the symposium, we plan to make 15 minutes presentations, with about 5 minutes of questions following each presentation and a 15-minute discussion at the end of the session (total: 75 minutes).

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## EXTENDED ABSTRACTS

### "Memory Pointers: Strategic Memory Protection through Acquisition of Recall Cues"

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In this work, we focus on individuals' desire to engage in what we call strategic memory protection; that is, behaviors that people think will allow them to protect their ability to derive utility from memory. We focus here on a particular type of memory protection and propose the memory protection through acquisition hypothesis, where people seek to obtain products that they think will later help them remember an earlier special experience, even though they would forego these same items in the context of a non-special experience.

Study 1 examines this hypothesis in a situation where a special experience is to be followed by a second experience that could interfere with individuals' ability to retrieve the initial experience. We ask all respondents to imagine having a special vacation trip to a San Diego resort and ask half of them to imagine that they will be returning to the same city for a business trip soon afterward, staying in a different hotel. Consistent with our memory protection through cue acquisition hypothesis, among respondents who expected an upcoming business trip to the same city, participants were more interested in the resort-specific cue (i.e., the bungalow magnet; likelihood of buying on an 11-point scale, M=8.57) than in the generic cue (i.e., the San Diego magnet; M=6.87). However, in the vacation-only condition, participants reported a similar likelihood to purchase the magnet when offered the resort-specific magnet vs. the more generic California magnet (Ms=8.44 and 8.97, respectively).

Study 2 further tests whether people seek to obtain physical objects that they think will later help them to remember an earlier special experience (i.e., a memory pointer), even though they would forego these same items in the context of a non-special experience. All respondents imagined going to a resort in Cancun, Mexico with their significant other. Those in the special experience condition imagined that the weather was excellent and they had a wonderful vacation. Those in the non-special condition imagined that a huge storm passed through the region and they had an unpleasant vacation. Participants were asked to indicate their preference to buy either a traditional Mayan wooden sculpture (i.e., a product that would be thematically closely associated with the vacation) or a limited version of a music CD of their favorite band (i.e., a product that would not be closely associated thematically with the vacation) on an 11-point scale. Results show that participants' preference for the sculpture was higher with the special experience (M=6.36) than with the non-special experience (M=3.58), but preference for the music CD did not differ significantly across experiences (M=7.04 with special experience and M=6.02 with non-special experience). In addition, when imagining that they lost the sculpture after having purchased it, they were upset more after the special (M=8.05) than after the non-special resort experience (M=6.10), consistent with the notion that they wanted it to serve as a recall cue only after the special experience. However, when they imagined having lost the music CD, no difference emerged between those considering special vs. non-special experiences. This study also examines whether they would be interested in replacing the lost sculpture if they found an identical product at a local store. Content analysis shows that whereas people perceive the item purchased as the resort to be a good memory pointer, they perceive that a replacement item from a local store would not be.

Study 3 seeks more direct evidence about the extent to which being able to retrieve special memories plays a causal role in guiding consumers' behaviors. It has been shown in psychology and consumer research that experienced ease or difficulty (compared to content) of tasks affects evaluations and judgments in decision making (Schwarz 1998; Wänke, Bohner, and Jurkowitsch 1997). In the context of the current research, we expected that participants who were required to recall many past experiences that are particularly special (e.g., 10 experiences) would experience recall difficulty (and lack of processing fluency) and therefore prefer a product that might serve as a cue to facilitate recall following a special experience. However, those who were required to recall only a few special experiences (e.g., 2 experiences) would experience ease in the recall task (and greater processing fluency), and this would lead to a reduced perceived need for a memory pointer product. Results show that indeed participants who are manipulated to believe that recalling past experiences is difficult show stronger preference for a memory pointer product following a special than non-special experience. Specifically, participants who were induced to think that recalling past experiences is difficult (i.e., recall 10 experiences) showed higher preference for a product closely associated with the experience when the experience was special (M=5.51) versus non-special experience (M=2.95). However, participants who were manipulated to think that recalling past experiences is easy (i.e., recall 2 experiences) did not show any difference in preference for this product that was closely associated with the experience across the special vs. non-special experiences (Ms=4.05 and 3.50).

In conclusion, we show that individuals prefer products that are uniquely associated with a special memory rather than those that would not be associated with the memory or associated with both a special memory and a memory that is less special. We further show that individuals' desire for these memory pointer products is enhanced when they are led to believe that their memories are weaker. These results all confirm our memory protection through acquisition hypothesis. Whereas research in cognitive psychology examines the actual impact of exposure to new information on one's ability to remember past experiences (e.g., retroactive interference), our research program examines people's lay theories about the extent to which they might experience retroactive interference. Our work demonstrates the behaviors that people engage in to facilitate the retrieval of those past experiences that they most want to remember without interference from other experiences.

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### "Choice-Motivated Changes in Consumers' Preferences"

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It has been shown that people may strategically distort their memories and evaluations about past choices in order to justify them (Tetlock, Stitka and Boettger 1989; Mather, Shafir and Johnson, 2000, 2003; Festinger 1957). Although this phenomenon has been reported extensively in the literature, little research analyzed the psychological process governing these choice-supportive distortions, which is the focus of this research.

If after making a choice people develop a strategy to support their decision, they should show a higher post-choice preference for positive attributes of the chosen products (i.e., reasons to choose) and for negative attributes of the not chosen products (i.e., reasons to reject). Results from study 1 confirmed this assumption.

In study 1 we asked 39 participants to imagine that they were planning to buy a house and they narrowed their choice down to two houses. Then, the participants were presented with two options, which were described in terms of eight features (four positive features and four negative features) each. After they made their choices, participants went through a filler task and then were exposed to a list of 30 house attributes, of which sixteen corresponded to the features of the houses they chose from, and fourteen were new. Beside the attributes were two columns, one labeled 'Check your 15 "must be positive" features in this column' and the other one labeled 'Check your 15 "can be negative" features in this column'. The participants' task was to describe their preferred house using exactly 15 positive and 15 negative features. They were asked to place a check mark in the "Must be positive" column beside each of the 15 corresponding features, and in the "Can be negative" feature column beside each of the 15 corresponding features. A test of proportions showed that people tended to choose to be positive those attributes that were positive and belonged to their chosen houses more than those that were positive and belonged to their not chosen options (positive-chosen=58% vs. positive-not chosen=46%,

p<.05). Also, participants tended to pick to be positive those attributes that were negative and belonged to their not chosen houses more than those that were negative and belonged to their chosen alternatives (negative-not chosen=51% vs. negative-chosen=39%, p<.05).

Although results were consistent with our predictions, they did not tell much about the psychological process governing this choice-defensive mechanism. Results from study 1 and previous research showing that people may distort their memories for past options in a choice-supportive fashion (Mather, Shafir and Johnson 2000, 2003), led us to hypothesized that based on these distorted memories people would change the attribute importance weights such that positive features attributed to chosen products and negative features attributed to forgone alternatives would become more important. Furthermore, if these changes in attribute weights implied a choice-defensive strategy, then such modifications should take place only when individuals were highly confident about their feature attributions. Results from study 2 supported these predictions. Upon arrival, participants were asked to rate the importance of thirty attributes for each of three distinct product categories (houses, restaurants and used cars). After a filler task, the students were asked to make binary choices in those same three categories. Each option was described in terms of four positive and four negative features, all of which corresponded to the attributes rated before. After an unrelated questionnaire; for each product category participants were presented with a list of thirty two features (the sixteen features that belonged to the choice options and sixteen new features) and were asked to indicate whether each feature belonged to their chosen product, to their not chosen product, or if it was new. They also indicated how confident they were in their attributions, on a seven-point scale anchored at 1 (Not at all confident) and 7 (Extremely confident). After indicating the sources of each feature, participants were asked to recall which product they chose in each category (we only report the results for the 126 students who correctly remembered all three choices). Following another filler, students were asked to rate again the importance of the attributes for each of the three categories. Finally, and after another unrelated questionnaire, participants completed the same choice task as in experiment 1, for each of the three categories; and rated the valence of each of the product features for which they reported the source.

To tap on the psychological processes driving consumers' choice-defensive strategies, we analyzed the data in two different ways. Our first main dependent variable was the difference between participants' post and pre-choice attribute importance ratings. To properly account for the repeated measures design and individuals' heterogeneity, we used a hierarchical Bayesian linear regression of the main DV on participants' reported feature source (i.e., chosen product, not chosen product, or new feature), participants' reported confidence in such source attributions, and participants' reported feature valence (i.e., positive or negative). As expected, we found a significant three-way interaction among the independent variables, such that attribute importance ratings were increased for positive features attributed to chosen products and for negative features attributed to not chosen products, only when participants' confidence in their feature source attributions was high.

Our second dependent variable was the participants' probability of choosing a particular attribute to be positive in their preferred product. We ran a hierarchical Bayesian probit in which we modeled participants' utility as a function of the change in the attribute importance ratings, the participants' reported feature source and the participants' reported feature valence. Results showed that individuals were more likely to choose an attribute to be positive if the attribute importance weight increased after choice, if the attribute

corresponded to a positive feature attributed to a chosen product or if the attribute corresponded to a negative feature attributed to a not chosen alternative.

Our results support our theorizing regarding the psychological processes governing consumers' choice-supportive distortions. Interestingly, consumers' preferences seemed to shift toward their choices, suggesting that these distortions may go beyond choice justification and have an effect in shaping consumers' preferences.

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### "Motivated Taste Change for Diet Coke"
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While a number of studies have shown that changes in preference can occur with changes in consumption and exposure (Rozin, 1999), the question of whether taste change can be facilitated by motivation is more controversial (Loewenstein & Angner, 2003). Evidence for motivated taste change comes mostly from studies of dissonance, whereby people are thought to reduce negative feelings of disappointment by shifting their preferences to objects that happen to be in their possession (Brehm, 1956). In the present work, we investigate taste change that is motivated by concerns about health, and find that such concerns can influence awareness of taste change, and that this awareness has implications for future choice intentions.

The particular source of motivation that we investigate is the widespread concern about the health effects of sugared soda consumption. Obesity is considered by some public health experts to be the second leading cause of preventable death in America, and at least a third of American adults are attempting to lose weight (Kruger et al., 2004). Sugared sodas are thought to be one of the major contributors to the obesity epidemic, and diet sodas are rapidly gaining market share from sugared sodas.

Interestingly, many people claim that not only do they prefer diet soda because it is healthier, but that they also prefer the taste. In a pilot study with participants drawn from a paid, nationally representative panel, we found that 85% of the 120 frequent Diet Coke drinkers in the sample said that Diet Coke tasted better than regular Coke. More impressively, however, 70% of those who preferred the taste of Diet Coke said they used to prefer the taste of regular Coke. They also cited concerns about health and fitness, and not taste, as their original reason for switching to Diet Coke. These data are consistent with the possibility that concerns about health (i.e., motivation) led to an actual change in the liking of a product.

In the present studies we sought to test this possibility. In Study 1 we examined whether or not motivation is related to expectation of taste change. We hypothesized that it would be. People tend to be optimistic in their estimates of the likelihood of good outcomes (Weinstein, 1980). Since health-motivated people would be more likely to consider a taste improvement for a healthy product to be a good outcome, they should thus be more likely to expect this

outcome to occur. This is indeed what we found. We asked 58 regular Coke drinkers (drawn from the same panel as the pilot study) to indicate their agreement with the statement, "my consumption of sugared soda is having a bad effect on my health and fitness". We considered people who agreed with the statement to be "motivated" to change their taste, and people who disagreed with the statement to be "unmotivated". Both groups were similar in their soda consumption and in their self reported liking of Coke and Diet Coke. All participants were asked to imagine that they were to drink Diet Coke daily for two weeks. The motivated people predicted that their liking of Diet Coke would improve during such a trial, while the unmotivated people predicted that they would come to like Diet Coke even less.

In Study 2 we actually examine taste change by exposing both motivated and unmotivated Coke drinkers to Diet Coke for two weeks. Based on previous mere exposure studies (e.g., Bertino et al., 1982, 1986), we expected blind taste tests to reveal increased liking of Diet Coke in both groups. In branded tests, however, we expected the groups to differ, with the motivated participants being more likely to report increased liking.

Undergraduate participants were selected based on a pre-screening survey for heavy consumption of Coca Cola (mean of 3.8 cans per week) and for their level of concern about the effects of sugared soda on their health. Half of the participants were highly concerned (i.e., "motivated") and half were minimally concerned (i.e., "unmotivated"). The two groups did not differ in their soda consumption habits. Both groups were given a two week supply of Diet Coke, with the instruction to drink one can each day, and to refrain from drinking sugared soda. (Compliance, reported anonymously, was very high.) Participants were not asked about their expectations of taste change for fear that this would influence their subsequent reporting. Two kinds of taste tests were given, both at the beginning and end of the two week consumption period. In blind tests, participants drank several colas in clear, unlabelled plastic cups, and then rated the taste of each one on a 9 point scale (anchored at "dislike very much" and "like very much"). In "branded" taste tests, participants opened a can of Diet Coke, poured approximately one ounce into a clear plastic cup, tasted it, and then rated the taste using the same 9 point scale.

Both high-concern and low-concern participants revealed a large (4/5ths of a standard deviation) increase in liking of Diet Coke following the two-week consumption period. However, with the branded test, only the high concern participants revealed an increase in liking. Furthermore, the high concern subjects reported a greater increase in intention to purchase Diet Coke in the future. These results suggest that motivation for taste change may be independent of its actual occurrence, but that it may be required for awareness of its occurrence, and, importantly, for the intent to act on that taste change. The results do not isolate expectation as the mechanism of the motivational effect, although the results of Study 1 are consistent with this possibility.

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# Truth or Consequences: The Ups and Downs of Perspective-Taking on the Accuracy of Predictions

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## SESSION OVERVIEW

Accurately predicting other people's behavior and preferences is critical for consumers as well as managers. This is particularly relevant when people need to satisfy other people's needs and preferences (managers-customers, husbands-wives) as well as when people's own welfare partly depends on what others would do (e.g., negotiations). Prior research has suggested that taking the perspective of another person or other forms of mental simulation can improve the accuracy of such predictions. Perspective taking efforts are also common in the market place. For example, managers sometimes take the role of consumers or employees, aiming to gain consumer insight that would bridge the gap between the company and its consumers. This session explores when and how perspective-taking can improve the accuracy of predictions and effectiveness of subsequent behavior. Four papers investigate the processes by which consumers assess others' preferences and identify the mixed consequences of intervening in the manner in which they generate these assessments.

These four papers investigate the effects of changing perspectives (interpersonally or intrapersonally) on the quality of predictions. The first two papers examine the benefits of perspective-taking on the accuracy of predictions while the second two papers look at the costs of such interventions. The first paper, by Kruger and Evans, examines the tendency to seek out information that one is better off without. The authors find that, while people appear to not appreciate the downside of their own curiosity, they clearly see the negative consequences for others. While satisfying curiosity takes precedence over their own long-run happiness, not so when predicting what others need. Thus, decisions made for others are more realistic and better than those made for oneself. The second paper, by Tanner and Carlson, examines the role of unrealistic thinking in misprediction about oneself. The results show that, because consumers tend to predict idealized behavior rather than realistic behavior (e.g. downloading less music than is likely), they are willing to pay more for relevant products (e.g. iPods). But, simply asking consumers to change perspectives by imagining their ideal behavior before reporting a more realistic estimate debiases both the estimate and valuation of the product. However, perspective-taking can also have a negative effect on consumers' behavior and predictions. The third paper, by Caruso, Epley, and Bazerman, investigates the cost of taking another person's (like a retailer's) point of view in exchanges with that person. Though perspective-taking makes people more realistic about how they *should* behave, it encourages even more selfish behavior because people assume the same from others. Finally, Burson, Faro, and Rottenstreich show that two opposing errors occur when someone predicts another's preferences under uncertainty, but these errors tend to cancel out when left unchecked. When one of these errors is corrected by manipulations that aim to bridge the gap between the predictor and the target, overall predictions end up inaccurate.

These four papers feature research that connects research in psychology with issues important to marketers. They also explore seemingly incongruent findings to help us understand why sometimes perspective-taking helps and why it sometimes hurts the decision-making process and predictive accuracy. Taken together, these four papers suggest that the psychological processes underlying mispredictions about self and other are complex. Therefore,

seemingly sensible interventions such as various types of perspective taking can at some times improve accuracy and in others worsen it. It is thus important to recognize both the underlying psychological processes leading to accurate predictions and the consequences of altering this process on both predictions and subsequent consumer behavior. Overall, our findings add to marketing and psychology researchers' growing efforts to understand and improve accuracy in predicting people's preferences and behavior.

## EXTENDED ABSTRACTS

### "You Can't Handle the Truth! A Self-Other Difference in the Pursuit of Unpleasant Information"

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In his "confessions," Saint Augustine described a friend named Alypius who, though "utterly opposed to and detesting" gladiatorial shows, was nevertheless persuaded one day to visit a coliseum. Although determined to keep his eyes closed throughout the contest, upon hearing the cries of the audience at the brutal killing of one of the gladiators he was overcome with curiosity. Alypius opened his eyes, and in so doing "was struck with a deeper wound in his soul than the other…on whose fall that mighty clamor was raised" (St. Augustine 1943).

What is paradoxical about the story of Alypius is not merely that he did not know the consequences of his actions. After all, knowledge typically helps more than it hurts, and individuals can hardly be expected to perfectly predict the exceptions. An individual who opens a window expecting to see a rainbow, for instance, can hardly be faulted for merely seeing rain. Instead, what is paradoxical about Alypius' fate—and, for that matter, that of Pandora, Eve, and, in case Christians did not get the hint, Lot's (nameless) wife—was that it was voluntary. In his writings, Saint Augustine makes it clear that Alypius opened his eyes despite knowing that he would regret it later. In other words, Alypius pursued knowledge that, in some sense at least, he did not want to have.

We suspect that the story of Alypius rings true for most people. Who has not at one time or another insisted that the bearer of bad tidings—a doctor, a family member, or a disinterested date—"give it to us straight" without "sugar-coating" it, only to find that the truth can be a "bitter pill to swallow"? To be sure, such pursuits are occasionally premised on the hope that the information will turn out to be less dire than it appears. As well, there are clearly other occasions in which individuals expose themselves to unpleasant information because the perceived benefits outweigh the perceived costs. But there are also other occasions, we offer, in which individuals seek knowledge that they believe has *no* foreseeable benefit; knowledge that, as in the case of Alypius, they believe will cause more harm than good. Indeed, this is precisely the contention of Weiner (1986) and Loewenstein (1994), both of whom have argued that curiosity can cause individuals to seek information that they know they are better off without.

This research examined this tendency. We conducted a series of studies in which individuals were given the opportunity to gain knowledge—some hypothetical and some real—that was of ques-

tionable value (such as the content of a conversation about one's faults or a photograph of one's spouse caught in an act of infidelity). In each case, we found that people tended to expose themselves to information that they themselves believed they were better off without.

Of key importance, this tendency was reduced when deciding the fate of someone else. This finding is analogous to the influence of other visceral factors on judgment and decision making. Whereas one's own visceral factors tend to have a large and sometimes overwhelming influence on judgment and decision making, the visceral factors experienced by others tend to have a much smaller influence (Loewenstein 1996). Whereas one's own cravings for a cigarette can cause one to "light up" despite one's sincere desire to quit, the cravings of others have much less an influence on behavior. Applied to curiosity, this suggests that individuals ought to be much less likely to expose others to unwanted information than they are to expose themselves to the same information—precisely the pattern we observed. Paradoxically, this can lead consumers to make better decisions for others than they do for themselves.

The implications for firms are just as paradoxical. Marketers frequently manage consumer (and public) opinion with careful control of the information about their firms (and the goods and/or services they provide) they make public. The researcher presented here suggests that firms may actually overestimate the negative impact of "full disclosure."

### "From Ideal to Real: How Taking an Idealized Perspective Can Undo Optimism"
*Robin Tanner, Duke University*
*Kurt Carlson, Duke University*

Individuals tend to make overly optimistic self assessments about themselves relative to others. While little studied in marketing, such optimism may have negative consequences for both marketers and consumers themselves (Kahn and Dhar 2007). Consider, for example, a middle aged man who expects to start exercising more next week. Given his expectations, he might allow himself a second dessert or he might buy a home exercise bike. However, if his expectations are optimistic (i.e., he will not actually live a more healthy life in the future), the second dessert may have been ill consumed and the money spent on the exercise bike largely wasted. Thus, we suggest that consumers would be better off if they could make more realistic self assessments.

This research takes as its central premise the idea that optimistic bias in self assessments can cause consumers (and marketers relying on their assessments) to make poor decisions. We advance the idea that an over overlooked contributor to unrealistic optimism is that consumers selectively test a tentative hypothesis of idealistic behavior when estimating their future behavior. As such, one means to helping consumers make more realistic predictions derives from getting them to test more realistic hypotheses about their behavior. To examine this idea, we have consumers estimate their ideal behavior (e.g., "In an ideal world, how many times would you exercise next month?") before estimating their actual behavior (e.g., "How many times will you exercise next month?"). We reason that requiring consumers to explicitly test an idealistic hypothesis before providing an estimate of actual behavior will cause them to adopt a more realistic hypothesis when contemplating their actual behavior.

In a series of studies participants estimate a variety of future behaviors, including blood donation, exercise frequency, willingness to pay for a product, completion time for a project, and saving for retirement. We consistently find that participants who first estimated their ideal behavior subsequently give more realistic estimates of their behavior (both objectively and compared to estimates of peers) than those in a control group. Furthermore, standard self assessments are largely indistinguishable from idealized ones, supporting our contention that the default process is to test a tentative hypothesis of ideal behavior.

We also find that the reduction in optimism brought about by first taking an ideal perspective influences downstream consumer decisions. For example, we find that prior consideration of idealistic usage leads participants to estimate a lower capacity utilization for an iPod (i.e., to estimate they will store fewer songs on it) than do participants in a control group. Consistent with the former group thinking in a less idealistic fashion about future iPod usage, they subsequently indicated a lower willingness to pay for an iPod. Finally, providing further support for our selective hypothesis account, we demonstrate that the observed attenuation of optimistic thinking is both mediated by an increase in accessibility of realistic thoughts and moderated by expertise.

### "When Perspective Taking Increases Taking: Reactive Egoism in Social Interaction"
*Eugene Caruso, University of Chicago*
*Nicholas Epley, University of Chicago*
*Max Bazerman, Harvard University*

People often fail to achieve efficient solutions in social interactions partly because they tend to reason egocentrically about the appropriate allocation of limited resources. For instance, homeowners routinely demand more for their properties than home-buyers think is fair to pay, and spouses often disagree about the merits of spending now versus saving for later. Such divergent interests can lead to divergent perspectives, and failing to understand an opposing side's viewpoint can exacerbate such egocentric assessments of fairness and create interpersonal conflict (Babcock & Loewenstein 1997; Messick 1995).

A seemingly simple and effective solution to such problems would be to reduce the egocentric biases by actively considering an opposing side's perspective (e.g., Paese & Yonker 2001). In the present research, however, we suggest that the consequences of considering others' perspectives may have a more complicated effect on social interaction. Although reducing an egocentric focus on one's own concerns may make an optimal solution more readily available, we suggest it can ironically lead people to behave in an even less optimal fashion because considering others' concerns may highlight self-interested motives in others' perceptions or likely behavior. Because people tend to assume that others' behavior is guided by their self-interest with relatively little concern about fairness or justice (Kramer 1994), this belief often exaggerates the impact of self-interest on others' attitudes and thoughts (Miller 1999; Miller & Ratner 1998).

A person selling a house, for instance, might become even more focused on a buyer's interest in obtaining a low selling price after considering the buyer's perspective. Although this seller may now recognize that her house may be worth less than originally thought, she may also now feel compelled to demand an even higher selling price to balance out a presumably low offer from the opposing side. We suggest in this paper that perspective taking may inadvertently highlight cynical theories about how selfishly others are likely to behave. In three separate experiments involving both simulated and actual resource allocation tasks, we predicted that considering others' perspectives in social interactions—namely competitive social interactions—would decrease egocentric or self-centered biases in judgments of what is objectively fair, but would also increase egoistic or self-interested behavior, compared to those who remain more egocentrically focused and do not consider others' perspective.

In study 1, participants representing different fishing associations in a simulated social dilemma met to determine how much each association should reduce its current harvesting level to preserve fishing stocks. In study 2, undergraduates were asked to decide the appropriate amount of limited funds they should request from the Dean to improve life in their college dormitory. In study 3, participants baked cookies in cooperative or competitive groups, ostensibly sharing key ingredients with their other group members. Roughly half of the participants in each study were asked to consider the perspective of their fellow group members before making their judgments, whereas the other half were given no such instructions.

In all studies, participants asked to adopt the perspectives of their other group members claimed it was fair for them to take significantly less of the limited resource (fish, funds, or chips), but actually took more in competitive contexts than the groups who did not engage in perspective taking. Beliefs about how much other group members were likely to take predicted how selfishly the perspective takers themselves behaved. In marketer-consumer situations, such cynical theories about the motives of a perceived enemy are likely to be highly ingrained in the minds of both sides, which may increase the chances that attempts at perspective taking may do more harm than good. Because considering others' perspectives can sometimes increase the very egoistic and detrimental behavior that it was designed to reduce, care should be taken when suggesting that people should look beyond their own perspective. Those who look into the minds of others may not always like what they see.

### "Can Two Wrongs Make a Right? Accidental Accuracy in Predictions of Others' Preferences Under Uncertainty"
*Katherine Burson, University of Michigan*
*David Faro, London Business School*
*Yuval Rottenstreich, New York University*

The prediction of other people's preferences is an integral component of much decision making under uncertainty. Consider a manager at an innovative firm specializing in medical products. Among his or her many tasks, this manager may have to select between disparate product offerings. For instance, the manager may need to decide whether to offer the consumer a medical solution that is relatively safe but offers only limited recovery, or a treatment that offers greater recovery but is contingent, among other things, on consumers' ability to persist with the treatment. In making this decision, the manager must predict how consumers would react to the relevant uncertainty: Would they prefer and be more motivated by the prospect of greater but uncertain recovery or prefer the relatively safer solution?

What steps are entailed in forming a prediction of others' preferences? In our example, the manager must of course have some sense of how attractive different recovery outcomes would be to consumers. Beyond this most basic point of departure, at least two key steps are required. First, the manager must understand consumers' *beliefs* about the likelihood of reaching a successful recovery. Second, the manager must understand the *impact* of these beliefs on consumers' decision making. We present several experiments which suggest that in many contexts people systematically err at both of these steps. They both misunderstand others' beliefs about the likelihood of successful completion of any task and misunderstand the impact that beliefs have on others' decisions.

The first error is driven by egocentricism. Research on "better-than-average" and "worse-than-average effects" reveals that when tasks are easy, people estimate their own chances of success as high. However, they estimate that others' chances are *not as high*. When tasks are difficulty, people think their chances of success are low, but that others' chances are *not as low* (e.g. Moore and Small 2007). Therefore, people's predictions of others' beliefs about their likelihoods of success (e.g. medical recovery) are *less extreme* than those that others would actually report.

The second error is in predictions of the impact of others' beliefs and is driven by affective reactions to risk and the frequent inability to emphasize with such reactions (see Loewenstein 1996). Though people overemphasize deviations from certainty and impossibility when making their own risky decisions, they believe that others will show this tendency to a lesser extent (Faro and Rottenstreich 2006). Thus, people's predictions of the impact of beliefs on others' decisions are *more extreme* than their actual impact on others' decisions.

Data and analyses from three studies suggest that, although people may frequently err at both key steps of the prediction process, their errors may tend to offset each other. Therefore, people's errors may often "cancel out" to yield predictions that are "accidentally accurate" overall. In predictions of others' preferences under uncertainty, two wrongs can make a right. Our data also shows that, ironically, improving predictions at one step can worsen predictions overall, because a right and a wrong will combine to make an overall wrong.

In additional experiments, we demonstrate an important application of our analysis outside the domain of prediction. In particular, our analysis implies a specific pattern by which principals will diverge from optimal hiring strategies for agents. Our findings suggest that, especially in domains where principals and agents are on average equally able, principals will diverge from optimal hiring strategies and will engage in less extreme choices. When choosing whether to perform a difficult task on their own or to hire an agent, people will tend to overinvest in agents: the first error will lead them to believe that the agent's chances of success are higher than their own, but, now as the principal, the second error will not correct for this misperception. When deciding about an easy task, people will tend to underinvest in agents: the first error will lead them to believe that the agent's chances of success are lower than their own, but the second error will not correct for this misperception either. Thus, where the principal's decision turns on the opportunity cost of his or her time, we might expect more frequent reliance on agents for difficult tasks than for easy tasks.

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# Resolving Dilemmas Posed by Personal Sacrifices: Facilitators and Hindrances to Charitable Giving

Sergio Carvalho, University of Manitoba, Canada

## SESSION OVERVIEW

*Giving USA*, a yearbook of U.S. philanthropy, estimated charitable giving in 2005 at two hundred and sixty billion dollars—a growth of 6.1% over the previous year. While charitable assistance to those less fortunate than us is an undeniable part of the North American value system, the decision of *how much* and *who* to help is not an easy one. Monetary donations many times imply trade-offs between personal welfare, or the welfare of those close to us, and that of others. Faced with such dilemmas, factors that seemingly mitigate the need of others—for example, perceptions that a social cause is undeserving or does not warrant self-sacrifice—may act as added incentives for consumers to tip the balance in their own favor. Proliferating numbers of charitable organizations—*Internal Revenue Service* figures for 2004 put the number of public charities operating in the U.S. alone at 822,817—and the concomitant causes they campaign for, make it critical to understand how consumers make self-serving versus sacrifice decisions.

The objectives of the symposium were three-fold: (a) To encourage greater consumer research into charitable giving behaviors—a domain that remains under-examined despite its societal importance. While benevolent governments should ideally support deserving charitable causes, the escalating complexity of social needs and cutbacks in government funding have forced charities to rely more and more on corporate and individual level funding. Charities today must focus not only on alleviating social problems but also on competing with each other for finite resources. Well thought out promotional campaigns that are based on an understanding of how charitable decisions are made at the micro-level are essential to charitable organizations in meeting their goals; (b) To appeal to social marketers and the broader ACR community by bringing together research from the domains of philanthropic giving and consumer decision-making—an objective that was in line with the current conference theme of building bridges between diverse areas; and (c) To examine internal and external pressures that are potential facilitators as well as hindrances to consumers' charitable assistance. All papers within the symposium provided different perspectives within this framework and brought together a complement of topics on charitable decision-making. While the first two papers addressed potential facilitators to charitable donations, the final paper identified hindrances to philanthropy. Brief overviews of each paper, in the order of presentation, are as follows.

In the first paper, *Michal Strahilevitz* discussed the phenomenon of '*take-aversion*'—an aversion to taking patronage away from a charity over not participating at all—as an important facilitator of willingness to continue charitable donations by existing donors. The impact of external (peer awareness) and internal social stressors (guilt) on the take-aversion phenomenon were addressed—both in the context of private as well as publicly made decisions. *Sergio Carvalho* and *Namita Bhatnagar* discussed their research on the influence of internal group-categorizations and external signals of overall participation and group need on the decision to donate in the second paper. Best practices for charities that attempt to generate broad-based support for localized problems were suggested—specifically, by taking advantage of pre-existing in-group biases via re-classifications that place perceived out-group beneficiaries within all inclusive super-ordinate in-group

categories. The moderating effects of expected participation and group-need were then shown—added signals of high levels of participation will generate pressure to donate to campaigns targeting large super-ordinate groups only when the ability to make a perceptible difference is discerned. Finally, *Christine Bennett, Hakkyun Kim*, and *Barbara Loken* showed that disclosures of corporate sponsorship by a charity can be a hindrance to individual contributions—i.e., potential donors may perceive the charity as already well funded and a lack of personal ability to significantly contribute toward its goals. It also demonstrated that: (i) the greater the number of corporate sponsors, the lower the willingness to support a charity; and (ii) the lower the past giving behavior and prior non-profit expertise, the lower the likelihood of giving to charities supported by corporate donors.

## EXTENDED ABSTRACTS

### "Why Might One Feel Guilty for Giving a Homeless Guy a Dollar? The Effects of Endowment, Peer Awareness and Guilt on Charitable Giving"

*Michal Strahilevitz, Golden Gate University*

This paper explores the endowment effect in the context of charitable giving. Kahneman and Tversky (1979) demonstrated the phenomenon known as loss aversion–that losses loom larger than gains. In this research, a series of experiments are presented that demonstrate a phenomenon that can best be described as "take-aversion"—that taking away (from a charity) looms larger than not giving (to that same charity). The studies presented control for status-quo bias and charity preference. I also examine the effects of peer awareness (whether the decision to donate is made in the presence of fellow students) and guilt on the take-aversion.

Data is also presented that compares take aversion (with donations) to loss aversion (with various objects as well as with money). It is found that take-aversion can be even more powerful than loss aversion, regardless of whether the endowment in question is monetary, hedonic, or utilitarian. For example, even with a population that prefers receiving something (e.g., money, keychain, candy) over having money donated to a charity in a pure choice condition, subjects who are initially endowed with a donation to charity are less likely to trade that donation for a self endowment (e.g., money, keychain or candy) than subjects endowed with receiving something for themselves (e.g., money, keychain, candy) are to trading that in for a charitable donation. Although the relatively stronger aversion to undoing a donation than undoing a gain is stronger when others are aware of the subjects' donations, it occurs even when the decision of taking for oneself or giving to charity is made privately (i.e., not in the presence of one's peers).

Take-aversion is also observed in cases where subjects are endowed with a donation to one charity and given the option of moving that donation to another charity. For example, subjects endowed with a donation to March of Dimes tend to stick to that charity when given the option of switching to the World Wildlife fund, and subjects endowed with a donation to the World Wildlife Fund tend to prefer to keep the donation with the World Wildlife Fund rather than switch it over to the March of Dimes. Guilt is demonstrated to play a key mediating role in both switching from

charitable giving to getting something for oneself, and switching from donating to one charity to donating to another charity.

After presenting the results, as well as a theoretical explanation for the findings, I discussed how the guilt of taking (from a good cause), the pain of losing (one's own wealth), the joy of giving (to a good cause), and the fun of gaining or acquiring (for oneself) differ from one another in terms of both the nature and intensity of the emotions experienced. Implications to fund-raising that arise from having a better understanding of what take-aversion and loss aversion share in common, and how they differ, were also examined. Specifically, the phenomenon of "charity contracts" where donors sign long term commitments to sponsor a specific "unit of need" (be it a child, school, or stray animal) were discussed. This fund-raising tool allows charities to play on the negative emotions of undoing a charity commitment, and may lead donors to end up making larger contributions to a specific cause over time than they had originally intended.

### "The Role of Group-Categorizations within Charitable Campaigns: The Moderating Effects of Expected Participation and Group Need on Consumers' Willingness to Participate"

*Sergio Carvalho, University of Manitoba*
*Namita Bhatnagar, University of Manitoba*

Consumers in North America are generous in their support for social causes, and numerous charitable organizations routinely compete for donations of time and money. The manner in which people perceive the group-membership of beneficiaries is key in deciding charitable allocations. This is especially true given the targeted nature of most charitable campaigns that seek to address the needs of specific groups of people or specific problems (e.g., United Way's community-specific strategies; Red Cross' disaster relief for tsunami survivors in Asia). In this paper, we examine how group membership and the re-categorization of basic level out-groups within super-ordinate in-groups impact consumers' willingness to participate in targeted charity campaigns. We then look at the potential for variations in expectations of overall participation and group need in moderating these effects.

Recent evidence for positive biases in behaviors that help in-group members suggests that categorizing people as part of the in-group engenders perceptions of similarity and identification, and facilitates feelings of responsibility for their well being (Levine et. al, 2005). Such in-group categorizations are believed to decrease perceived costs of helping and increase the likelihood of providing assistance (Dovidio et. al, 1991). Along similar lines, Gaertner et al.'s (1993) Common In-group Identity model suggests that outsiders can reap the benefits of pro in-group biases via a re-categorization process that incorporates both the in- as well as out-group within an over-arching super-ordinate social category. Attitudes toward out-group members are enhanced when people are induced to view themselves as part of a common group (Dovidio et al, 1991). By this token, consumers should engage more willingly in charitable giving that benefits groups they already belong to—any re-classifications that place out- and in-groups within a single category should raise benevolence toward the former.

Consumers routinely face dilemmas hinged on trade-offs between helping others and helping themselves. Social Dilemma Theory posits that acting in the interest of the collective is strongly related to expectations of participation by others within the group (Sen, Gurhan-Canli, and Morwitz, 2001; Klandermans, 1992). Variations in overall participation levels act as signals of presence or absence of social norms surrounding participation, and give rise to attendant perceptions of normative pressure and felt obligation to

comply. Social dilemmas can also be resolved via perceptions of group need. Fisher and Ackerman (1998) believe that people feel a sense of obligation to assist when they see their group in need of help—a high value is put on incremental contributions made toward the attainment of group objectives. Expected participation and perceptions of group need should have similar normative effects within campaigns targeted toward in-group and out-group recipients as well as beneficiaries belonging to super-ordinate categories.

The effects of group categorization, expected participation and group need were tested within two laboratory experiments within the context of charitable donations for alleviating child poverty—a cause found to be important to the sample population. Undergraduate business students at a major mid-western university in Canada participated in the studies in exchange for course credit. In Study 1, we examined willingness to donate money for reducing child poverty within in-group versus out-group community contexts (i.e., within the home-province or an alternative province) and the effects of varying group participation (i.e., low or high), as well as the influence of re-categorizing out-groups and in-groups within one common over-arching category (i.e., by categorizing the home-province or the alternative province within Canada). The alternative community was chosen by pre-testing felt identification and belongingness to provinces using an independent sample from the same population. Results indicate that people exhibit greater generosity toward basic-level and super-ordinate in-groups as compared to out-group communities. Benevolence toward the out-group was enhanced upon re-classification within the super-ordinate country-level category. Rising expectations of group participation further increased willingness to participate—for the in-group target more so than the out-group—except in the case of the super-ordinate category (i.e., the overall Canadian category) and when the out-group was included within it (i.e., the alternative province within Canada category). It is possible that a priming of group size elicits free-rider effects where categories are perceived as large, as in the case of the latter two. Research into free-rider effects suggests that people within large groups significantly discount the extent of difference they have the ability to make in the provision of public good by the group. Thus, the bigger the group size, the smaller the relative share of contributions each group member tends to make (Albanese and Van Fleet 1985). A second study was conducted to investigate whether higher perceptions of group need and the extent of difference individuals are able to make would exacerbate willingness to participation within the super-ordinate group. ANOVA results of Study 2 show that willingness to participation in super-ordinate country-level campaigns rise with stronger expectations of group participation under conditions of high group need—for both predictive as well as normative participation willingness (measured via responses to the statements: "I will participate in the campaign;" and "I should participate in the campaign"). These results held for expected participation by others within the group as well. This suggests that consumers comply with normative pressure to abide by group participation norms when group need is high and it is felt that a perceptible contribution can be made toward attaining group objectives.

In a climate where charitable organizations routinely compete for funds, it is common practice to encourage support from individual donors by creating a sense of identification with causes being campaigned for. Social trade-offs that pit personal welfare against societal well-being make it difficult to generate broad-based support for problems faced by specific groups of people. This research provides managerial and theoretical insights into the effects of re-categorizations that frame outsiders and their problems as part of a common in-group and threats to collective welfare. Charitable

campaigns can also stimulate consumers' willingness to participate by sending signals of strong group participation as well as high group need when perceived group size is large.

### "Examining the Negative Impact of Corporate Sponsorship on Prospective Donors' Willingness to Support Nonprofit Organizations"

*Christine M. Bennett, University of Minnesota*
*Hakkyun Kim, University of Minnesota*
*Barbara Loken, University of Minnesota*

Effective fundraising is vital to the success of nonprofit organizations. These organizations require outside support often secured through grants, corporate donations (financial and in-kind) and individual donations in order to carry out their respective missions (e.g., to house the homeless or feed the needy). The Society for Nonprofit Organizations indicates that the fastest growing segment of nonprofit fundraising is corporate sponsorship, a strategy considered to be a "win-win" situation for both the sponsoring company and the nonprofit. Prior research suggests that consumers have favorable attitudes toward companies that support a cause and these attitudes can potentially impact purchase decisions and product evaluations in a positive way (Barone, Miyazaki and Taylor, 2000; Brown and Dacin, 1997; Sen and Bhattacharya, 2001).

Little research to date, however, has investigated the impact of corporate sponsorship on the nonprofit organization. In particular, little is known about the effects of corporate sponsorship on people's willingness to donate to a nonprofit when the nonprofit is the entity communicating the existence of the sponsorship to the public. The current research addresses this question. Specifically, we investigate how the disclosure of corporate sponsorship affects individual donations to the nonprofit. This issue is an important one because one technique widely used in the nonprofit sector is the public acknowledgement of corporate donors. Nonprofit organizations routinely and prominently disclose their major donors by noting their generosity in "thank you" advertisements in local newspapers with an appeal for readers to donate.

While the disclosure of corporate donors not only appeases sponsors, it may give the organization needed exposure and recognition which is important as many nonprofits have limited publicity budgets. However, this disclosure could potentially reduce an individual's willingness to support a nonprofit if having corporations on board increases the perception that the nonprofit is already well-funded or that an individual's contribution will have a minimal impact. Today, the general public is often bombarded with appeals to assist those less fortunate. While people are often ready to lend a hand, they are often troubled by the uncertainty of knowing whether or not an organization is deserving of their hard-earned money and will put it to good use. For example, when a new prospective donor is solicited for a monetary donation by a nonprofit organization to which they are unfamiliar, the prospective donor may not have a clear idea about whether the organization is actually in need of money. Huber and McCann (1982) and Jacard and Wood (1988) suggest that when relevant information is missing, people will infer values of the missing information from the information presented and will then adjust downward to reflect their uncertainty. Therefore, in order to reduce the uncertainty of whether or not a nonprofit is deserving of their donation, a prospective donor may infer the nature of the nonprofit from available cues. Specifically, the presence of corporate sponsors may indicate to prospective donors that nonprofit is already well-funded and that their own donations will have little impact.

Three experiments were conducted to test this premise. Specifically, we examine whether the disclosure of prominent donors influences individuals' willingness to support nonprofit organizations. In terms of the procedure, participants were first asked to read a message from a nonprofit organization helping at-risk and homeless teenagers and to indicate the extent to which they were willing to donate money to the nonprofit. In study 1, one factor was manipulated such that either prominent donors (i.e., corporations and foundations) were either listed or not on a nonprofit's annual appeal. A significant main effect of condition is observed such that participants that viewed a message with sponsors listed were less likely to donate money to the nonprofit than participants in the control condition ($M_{Control}=4.70$ vs. $M_{Sponsor}=4.32$; $F_{(1, 56)}=4.44$, $p<.05$). Study 2 was conducted to examine whether participants use sponsorship information as an informational cue. Specifically, we varied the number of sponsors listed (e.g., two corporate logos vs. nine corporate logos) and find that the greater the number of corporate sponsors listed, the less individuals are willing to support the nonprofit ($M_{Two}=4.15$ vs. $M_{Nine}=3.54$; $F_{(1, 91)}=5.02$, $p<.05$).

In study 3, we examine whether experience with nonprofits or past donating behavior impacts the use of corporate sponsors as informational cues. We relied on a 2 (control vs. sponsor) x 2 (nonprofit experience: high vs. low) between-subjects design. Results indicate a marginally significant interaction. Specifically, in the control condition, there is no difference in participants' willingness to donate to the nonprofit as a function of high or low prior experience with nonprofit organizations ($M=3.54$ vs. $M=3.83$). However, in the sponsorship condition, participants high in nonprofit experience were more likely to support the nonprofit and participants low in nonprofit experience were less likely to support the nonprofit ($M=4.50$ vs. $2.78$; $F_{(1, 24)}=3.78$, $p<.06$).

Altogether, these findings suggest that people who know that corporations are sponsoring a nonprofit organization are less likely to help the organization, compared to those who have no such information. Thus, these findings indicate that revealing corporate sponsors may negatively impact a prospective donor's willingness to support a nonprofit organization. It appears that people make inferences about the needs of an organization based on cues such as the advertisement of corporate sponsorship and such advertisement may unwittingly signal that the nonprofit is already sufficiently funded. This in turn lowers people's motivation to financially support to the nonprofit. Furthermore, our findings indicate that this phenomenon is particularly strong among people with little direct experience with nonprofits, probably because these individuals use the donor information as a peripheral cue, while those with prior experience with nonprofits may make judgments based on the focal message and are less affected by such cues.

### REFERENCES
*All references are available upon request*

## Symposia Summary

# Dazed and Confused by Choice: Antecedents and Consequences of Consumers' Desire for Choice Freedom

Simona Botti, London Business School, UK
Murat Usta, University of Alberta, Canada

## SESSION OVERVIEW

The objective of this symposium is to shed light on why consumers value freedom of choice, and on how perceived freedom of choice affects consumer decision processes. The research covered in this symposium proposes that the antecedents of consumers' desire for having freedom of choice are both cognitive and motivational in nature, and that this desire may lead to suboptimal decision outcomes.

The first paper, by Botti and Hsee, shows that consumers prefer making their own choices rather than having these choices externally imposed because they believe that choice leads to better performances and more positive affect. Three studies suggest that this belief is based on consumers' tendency to underestimate the emotional and cognitive costs of choosing. As a result, participants value the provision of choice even when its costs are higher than its benefits and choosing generates inferior outcomes than not choosing. The second paper, by Usta and Häubl, shows that consumers have a strong reluctance to relinquish their freedom to choose even if it is beneficial for them to do so. Evidence from three studies suggests that consumers' unwillingness to relinquish the control of their decisions to expert surrogates is based on their motivation to maintain an internal perceived locus of causality for their decisions. Reducing this desire to maintain an internal perceived locus of causality through manipulating motivational orientation eliminates the reluctance to relinquish decision control. The third paper, by Yuan and Dhar, shows that increasing consumers' perceived choice freedom can make them more susceptible to unsolicited persuasive messages. Results from three studies show that while people in forced choice situations with limited options are not much affected by store recommendation or popularity information, giving people greater choice freedom either by adding a no-choice option or by increasing the choice set size significantly increases the effectiveness of such persuasive information, even when their trustworthiness is questionable.

Prior research showed that consumers resist restrictions to their freedom of choice and engage in behaviors to reassert their feelings of autonomy. The three papers presented in this symposium share the premise that, although choice freedom is associated with both costs and benefits, it is harder for consumers to appreciate the costs of choosing and how they affect decision outcomes. This symposium therefore contributes to prior research by investigating the different psychological processes underlying consumers' desire for autonomy in decision making. Identifying such processes lays the foundation for developing a general theoretical framework that helps consumer researchers and marketers predict when, why, and how consumers prefer having the freedom to choose. Further, by showing the potentially negative consequences of perceived freedom of choice, this symposium alerts to the possibility that the mere provision of an opportunity to choose may increase consumers' perceived sense of control without increasing their objective welfare.

Consumers' preference for choosing can be accounted for by various theoretical perspectives. The papers presented in this session build a bridge between cognitive and motivational explanations for the phenomenon under investigation. Indeed, the motivation to feel autonomous in decision making can demonstrate itself through the use of a cognitive heuristic that underestimates the costs of being autonomous. In addition, these three papers build a bridge between the antecedents and the consequences of the phenomenon under study, namely consumers' quest for decision-making autonomy.

## EXTENDED ABSTRACTS

### "The Chooser's Curse: How Underestimating the Costs of Choosing Leads to Undesirable Outcomes"
*Simona Botti, London Business School*
*Christopher K. Hsee, University of Chicago*

Consumers are often willing to undergo extensive searches in order to enjoy the benefits of making optimal choices. For example, travelers shop around to find the most satisfactory tickets, investors wait for the best market conditions before picking their stocks, and singles engage in intensive dating when looking for the perfect spouse. Research has demonstrated that these search processes are associated with costs and benefits. Choosing allows to maximize satisfaction through the matching of personal preferences and available alternatives, and has beneficial psychological effects (Taylor and Brown 1988). Conversely, the cognitive effort required to evaluate the choice-set options and the emotional distress caused by decision conflicts may impair decision-making abilities and lower satisfaction (Iyengar and Lepper 2000; Luce 1998). Although optimal search models predict that rational consumers would stop searching if the costs of choosing outweighed its benefits, recent research has shown that consumers prefer choosing even when the provision of choice makes them worse off (Botti and Iyengar 2006). Consumers seem therefore to use a choice heuristic that causes them to systematically prefer choice in spite of its consequences on well-being. In this paper we examine this choice heuristic and its underlying psychological process. We propose that consumers want to choose because they tend to underestimate the cognitive and emotional costs of searching for the best option relative to its benefits. As a result of this cost underestimation consumers believe that the exercise of choice will necessarily make them better off, causing them to insist on choosing even in those circumstances in which choice leads to suboptimal outcomes. We tested our theory in three experiments.

Experiment 1 involved three groups of participants: Predictors, choosers, and non-choosers. Predictors were asked to imagine having $10,000 to invest in a 1-year CD. They were informed that there were numerous banks to choose from, each one offering a different interest rate ranging from 3.01% to 4%, and told to choose a bank using one of two online services. The first service initially charged $7 to show the interest rates of three randomly selected banks and allowed customers to decide whether to select one bank from this set or pay additional $7 to peruse other sets. The second service showed only three randomly selected banks for $7 from which customers could make their selection. Predictors were asked to indicate which of these two services they would prefer using and to predict which service would lead to a higher return and more positive affect during the decision process. The majority of predictors preferred the first service and expected this service to generate higher returns and more positive affect. Choosers and non-choosers

were given the same initial information about investing $10,000 in a CD; however, choosers were given the first service, which allowed them to search for the most satisfying rate, whereas non-choosers were given the second service, which provided them with only one set of banks from which to make their choice. Contrary to predictors' estimates, choosers obtained lower returns and reported lower positive affect than non-choosers.

It may be argued that predictors in Experiment 1 made erroneous forecasts simply because they did not directly make the decision. Hence, in Experiment 2 participants first experienced a decision process and then made their predictions. Participants were instructed to memorize as many randomly generated 7-digit phone numbers as possible within a 5-minute time frame and told that their final performance would depend on their ability to correctly memorize these numbers (they would gain 9 points for each correct number and lose 1 point for each incorrect number). Participants where then randomly assigned to one of the two experimental conditions: Choosers read that they would choose each number to memorize from a set of ten different randomly generated numbers whereas non-choosers were told that they would be presented each time with only one number to memorize. After taking the test, but before knowing their performance, participants were asked how they felt during the test. Next, they were informed of the two experimental conditions and asked in which condition they would prefer being if they had to take the test again, and which of the two conditions would generate a better performance and more positive affect. Consistent with the first study, the majority of participants preferred being in the choice condition and predicted choosers to experience more positive affect and perform better than non-choosers. In reality, choosers reported lower positive affect and performed worse because they misremembered more numbers and overall attempted fewer trials.

Experiment 3 used a similar paradigm as Experiment 2 but made the costs of choosing even more salient. Participants were asked to memorize three different 10-digit numbers. They were told that their performance depended on how many digits they would correctly and incorrectly remember (they would gain 0.9 points for each correct digit and lose 0.1 points for each incorrect digit) and the time spent taking the test (they would gain 0.5 points for each second saved from the 6-minute allotted time). Choosers were given a set of ten different randomly generated numbers from which to select the one number to memorize whereas non-choosers were told that they would be presented each time with one number to memorize. After taking the test but before knowing their performance participants reported their affective response to the test, were informed of the two experimental conditions, and asked to predict which condition would lead to higher performance and more positive affect. Consistent with previous results, the majority of participants preferred being in the choice condition and predicted higher performance and more positive affect for choosers. In actuality, choosers not only felt worse but also misremembered more digits, resulting in a lower performance than non-choosers.

Overall, these results support the hypothesis that consumers desire decision-making autonomy because they tend to underestimate the cognitive difficulties and emotional discomfort associated with the act of choosing even when these costs are made salient; as a result, they erroneously believe that choice provision will necessarily improve their well-being.

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### "Self-Determination and the Relinquishment of Decision Control: Why Are Consumers Reluctant to Delegate their Decisions to Surrogates?"

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When consumers use an expert as a surrogate to guide, direct, and/or transact marketplace activities on their behalf (e.g., a financial advisor), they relinquish some of the control of the decision process (Solomon 1986). It is remarkable, and also puzzling, that many consumers are reluctant to relinquish control to expert surrogates even when the benefits of doing so are known to be significant. Such reluctance is particularly evident in the domain of financial decision making where, for example, less than half of American equity investors rely on financial advisors for all of their stock market transactions (see ICI 2005). Individuals who make financial decisions without professional advice are more likely to make poor asset allocations (Benartzi and Thaler 2002), which results in tremendous welfare costs. The objective of this research is to investigate what underlies consumers' persistent reluctance to relinquish their decision making responsibilities to expert surrogates.

Self-determination theory (Deci and Ryan 2000) suggests that humans possess a basic need for autonomy, the desire to feel as the origin of one's actions. Individuals feel autonomous, as opposed to controlled, to the extent that they perceive an internal, as opposed to external, locus of causality for their actions. Some contextual factors are "autonomy supportive" (e.g., the opportunity to choose one's actions), while others are "controlling" in the sense that they undermine the need for autonomy (e.g., extrinsic rewards or surveillance). Autonomy-supportive contexts improve human functioning and well-being by bolstering an internal perceived locus of causality (Vansteenkiste et al. 2004). Based on self-determination theory, we propose that relinquishing the control of a decision shifts the perceived locus of causality (PLOC) for the decision from internal to external, which thwarts the need for autonomy. As a consequence, consumers' reluctance to relinquish the control of their decisions to expert surrogates is driven by their need to maintain an internal PLOC for their decisions.

In this paper, we report the results of three experiments that involved consequential investment decisions. For each investment decision, participants were first presented with ambiguous information about two stocks. They were then given a choice between making the investment decision on their own and obtaining the services of a financial advisor in connection with this decision. The nature of the advisor's service was manipulated such that it either (a) revealed a prediction as to which of the two stocks would yield a higher rate of return ("recommendation") or (b) made the decision on behalf of the participant ("delegation"). Decision makers who acquire a recommendation can retain an internal PLOC, because they are free to either comply with or reject the recommendation. By contrast, delegating a decision implies completely relinquishing the freedom to choose and induces an external PLOC. The results of a pretest also confirmed that delegating a decision results in an

external PLOC while obtaining a recommendation allows consumers to retain an internal PLOC.

Experiment 1 aimed to demonstrate consumers' reluctance to delegate their decisions to expert surrogates. The services of a financial advisor were either offered at a cost or for free. Normatively, reducing the cost of the advisor's services should increase consumers' likelihood of obtaining them. The results of this study show that providing the services for free rendered consumers significantly more likely to acquire the expert's recommendation about which option to choose. However, consumers' willingness to delegate their investment decision to the expert was low regardless of the cost of the expert's service.

The objective of Experiment 2 was to identify the motivational process that underlies this reluctance to delegate. To do so, we manipulated participants' motivational orientation. Prior to the investment decision, participants engaged in either a self-directed (i.e., autonomous motivation) or an other-directed (i.e., controlled motivation) card sorting task adapted from Nix et al. (1999). Autonomously motivated consumers who were acting with an internal PLOC were significantly less willing to delegate their decisions to the expert surrogate than they were to acquire the same surrogate's recommendation. On the contrary, consumers in controlled motivation who were acting with an external PLOC did not show such a tendency. Furthermore, consumers in controlled motivation were significantly more likely to delegate their decisions than those in autonomous motivation. Autonomously motivated participants approached the decision to retain or relinquish the control of their investment decision with an internal PLOC: They were threatened by a shift in their PLOC from internal to external caused by delegating their investment decisions. Thus, consumers' reluctance to relinquish their freedom to choose is based on their desire to maintain an internal PLOC for their decisions.

Experiment 3 aimed to investigate the influence of consumers' motivational orientation on their response to negative feedback about their competence in decision making. Receiving negative feedback made autonomy-oriented consumers (i.e., those predisposed to experience an internal PLOC) more likely to obtain the surrogate's recommendation, but not to delegate their decisions. By contrast, upon receiving negative feedback, controlled-oriented consumers (i.e., those predisposed to experience an external PLOC) became more likely to delegate their decisions, but not to take a recommendation. Receiving negative feedback about their competence in decision making made controlled oriented consumers more likely to relinquish their freedom to choose while it did not have such an effect on autonomy oriented consumers.

These results suggest that the unwillingness to relinquish the freedom to choose is based on the desire to experience an internal PLOC for one's decisions (i.e., one's reason to make the decision in a particular way should originate from one's self). This strong motivation inherent in consumers persists even in domains that require expertise, such as financial investments, and causes them to be reluctant to relinquish the control of their decisions to experts. Motivational orientation (autonomy or controlled) proves to be a predictor of whether or not consumers relinquish their freedom to choose (Experiment 2) and of whether or not consumers' likelihood to relinquish their freedom to choose increases upon receiving negative feedback about their competence in decision making (Experiment 3).

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### "Perceived Choice Freedom and Consumers' Receptiveness to Persuasive Information"

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People in modern societies have a strong preference for choice freedom and autonomy. They usually prefer more to less choice options even though more options do not always lead to better decisions and greater happiness (Schwartz 2005). In this paper, we demonstrate that when consumers are given the impression of having greater choice freedom, they become less suspicious of potentially unreliable information. For example, they become more likely to follow, sometimes unwisely, store recommendations without convincing reasons. Ironically, the comfortable feeling of self control can make people more susceptible to external manipulations.

When consumers are shopping for products, a lot of information they learn is provided by the retail stores. Not only do stores routinely supply core product attributes such as price, features, and technical details, they sometimes also offer more normative information such as product popularity and subjective information such as expert recommendations and consumer reviews. On one hand, store-provided information, if accurate, can reduce decision difficulty and facilitate consumers in making sound choices. On the other hand, stores may provide selective or misleading information trying to sway consumers' decisions for the stores' own benefits. Generally consumers are aware of these possibilities. According to the Persuasion Knowledge Model (Friestad and Wright 1994), once consumers recognize an action as a tactic to influence their behaviors, they use their persuasion knowledge to cope with such an attempt. More intrusive persuasion attempts such as unsolicited recommendation may also induce psychological reactance (Brehm 1966) and result in negative consumer reactions (Fitzsimons and Lehmann 2003).

Reactance is usually considered as a response to threatened choice freedom. When a choice option is removed or threatened to be removed, people often try to reassert their freedom by increasing their liking for the threatened option. We argue that people would be most suspicious with store-provided information when they have limited choice freedom. If people's choice freedom is increased, the same persuasive information would have less impact on their perceived choice freedom. For example, if people have to choose between Products A and B, and they are told that A is

recommended by experts, their freedom to choose B over A will be threatened by this recommendation. However, if people also have the option to choose neither A nor B and explore other products instead, a recommendation for A may still threaten people's freedom to choose B over A, but it will not threaten people's freedom to choose neither product and explore other options. Therefore, we propose that when choice freedom is expanded by adding a no-choice option or by adding an extra product option, people will be less cautious with, and be more likely to be influenced by, store-provided information.

Study 1 examined how people responded to store recommendation in presence or absence of a no-choice option. Participants chose between two unfamiliar foreign DVD titles, one of which was described as being recommended by the rental store. In fact, the recommended alternative was manipulated and counterbalanced between participants. Half of the participants were also told that they had the option to rent neither DVD and search for other titles. The results showed that while participants who did not have the no-choice option were unaffected by the recommendation information, participants who had the no-choice option were significantly more likely to choose the recommended alternative. We ruled out the alternative explanation that people who preferred the non-recommended alternative were more likely to switch to the no-choice option. We also replicated the finding in Study 1 with a more familiar product (chocolate) and in a choice with potential real consequences (1/30 chance of winning the chosen chocolate box).

Like adding the no-choice option, increasing the number of available product options will also increase perceived choice freedom. Study 2 examined how people responded to popularity information when the size of choice set varied. Participants were provided with either two or three mixers to choose from. Of the two common alternatives that all participants saw, one was described by the store as being more popular than the other. The results showed that while participants who chose from only two alternatives were not significantly affected by popularity information, participants who chose from three alternatives were significantly more likely to choose the alternative that was claimed to be popular.

In Study 3, we showed a boundary condition of the choice freedom effect. Many consumers have the intuition that stores have higher incentive to sell expensive, as opposed to cheap, products. Therefore, store-provided information favoring a high-price product may elicit more suspicion, whereas information favoring a low-price product may be regarded as relatively reliable even when choice freedom is low. In Study 3, participants were asked to choose between two car tire models. Some were told the high-price model was more popular, some were told the low-price model was more popular, and the others were not given any popularity information. The results showed that if the low-price model was described as being popular, adding the no-choice option did not increase the effect of popularity information. On the contrary, if the high-price model was described as being popular, adding the no-choice option significantly increased the share of the high-price model.

Consumers cherish the freedom to choose, as well as the freedom to not choose. However, oftentimes they do not realize the costs associated with such freedom. The current research shows that possessing extra choice freedom could make consumers more susceptible to potentially unreliable information. In the studies we reported, recommendation and popularity information were not empirically derived but rather experimentally manipulated, and they were not accompanied by any supporting reasons. Therefore, by complying with such information, the participants in the high-freedom conditions may not have made the optimal choices. On the other hand, suspicion and reactance can be destructive in some situations. When persuasive information is reliable and unbiased, high choice freedom may also make consumers more receptive to valuable information. In either case, it is important for researchers to understand how choice freedom can influence consumer behaviors.

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## SYMPOSIA SUMMARY
# "Do Unto Others…": The Influence of Others on Perceptions of Price (Un)Fairness
### A. Peter McGraw, University of Colorado, Boulder, USA

### SESSION OVERVIEW

The session examines factors influencing the perception of price (un)fairness. Prior research has examined many factors affecting fairness perceptions, such as the firm's motives for the price change (Campbell 1999) and the role of past prices, competitors' prices, and sellers' costs (Bolton, Warlop, & Alba 2003). Such research has tended to focus largely on factors directly related to the firm (e.g., costs, profits, motives). Yet, firms' pricing actions often result from other actions which may be beneficial or harmful to consumers. In addition, pricing actions may be perceived differently depending on what group of consumers is affected and how. The papers in this symposium focus on how the situation in which others affected, for better or for worse, by a price change influence perceptions of price unfairness.

In the first paper, Campbell develops a conceptual framework of the relationship between price and perceived (un)fairness, proposing that, symmetric to inferred motives, consumers may make inferences about the potential or realized harm to the consumer from the pricing action. Specifically, she explores how company characteristics and the identity of affected consumers affect price unfairness judgments. Her findings, across three studies, demonstrate that perceived harm to consumers of a price action can influence perceptions of the unfairness of the price action. Both the need for the product and the relative disadvantage of the consumer predicted perceived fairness of various price actions when costs of production were decreased. The results have implications for our understanding of perceptions of price unfairness and, more broadly, for understanding differences in consumers' perceptions of how markets do, and should, work. Consumers appear to be considering the relative affordability of products and to believe that fairness is implicated when consumers can be harmed by relatively high prices.

The second paper, by Varki, Miller, and Banerjee, builds on the notion that perceived inequities on "others" affect price perceptions. They examine situations in which prices are decreased (thus benefiting the consumer himself), but the decrease is accomplished through cost-cutting actions which negatively affect others (e.g., laying off workers), thus forcing an inherent trade-off between the self and others when it comes to price unfairness perceptions. Specifically, the paper examines whether the harm caused to others (such as employees) affects consumers' fairness perceptions of the reduced price, and whether consumers' ethical perspectives moderate their fairness perceptions. The findings demonstrate that price decreases can be perceived as unfair and that ethical perspective does affect perceptions of price unfairness. In addition, the findings indicate that the reason for the price decrease matters, and provide insight into the effect of various managerial cost-reducing actions on consumers' perceptions.

The third paper, by Schwartz and McGraw, also examines a situation in which consumers implicitly must make a trade-off between their own well-being and that of others. However, unlike in the second paper where consumers benefit by lower cost at the expense of others, in this paper, consumers are faced with a higher cost that benefits others. Specifically, Schwartz and McGraw investigate the effect of relationally reframing, or changing the perceived normative 'rules' at work within a trade-off, to undo the unsettling nature of the consumer exchange. They present results

from a series of studies showing people's perception of pricing fairness significantly varies depending on the nature of the good (e.g., medication vs. software) and the relational frame of the message. They show that communal-sharing messages (e.g., the price increase will help bring other safe, effective drugs to market), relative to market-pricing messages (e.g., the price increase is based on supply and demand in the marketplace), reduce distress over medication prices and ease perceptions of unfairness for price increases.

The discussant in this session is Lisa Bolton (Wharton) who has done influential work in the area of pricing, and fairness perceptions more specifically (e.g., Bolton et al. 2003).

By bringing together the three papers and discussant, the session improves our understanding of factors that affect perceptions of price unfairness and in particular, the influence of perceived harm (to consumers, employees, or unknown others) on such perceptions. Each paper in its own way examines the moral (and not just financial) aspect of price perceptions. The first paper focuses on consumer inferences about potential or realized harm to the consumer as a result of consumer need for the product (manipulated by type of product) and the relative disadvantage of the consumer (manipulated by type of consumer). The second paper also focuses on perceived harm, but examines the effect of harm to others (e.g., employees) rather than to consumers themselves. Moreover, it raises the question of how perceptions of price unfairness are perceived for price decreases and the role ethics play in such perceptions. The third paper considers the role of others but focuses on how justifications of higher prices which invoke others (e.g., benefits to society) change perceptions of price fairness by removing the need to make difficult moral trade-offs between money and well-being. Together, the papers provide insight into harm to consumers, employees, and society, that influence perceptions of price unfairness from an ethical standpoint. These factors are of particular importance considering current ethical concerns about company actions and current practices in the pharmaceutical industry. Finally, the papers serve to further our understanding of both perceptions of price unfairness and, more broadly, perceptions of how markets do, and should, work.

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### EXTENDED ABSTRACTS

#### "The Role of Inferences of Impact on Perceptions of Price (Un)Fairness"
##### *Margaret C. Campbell, University of Colorado, Boulder*

Perceptions of price (un)fairness (PPU) encompass a consumer's subjective sense of a price as right, just, or legitimate versus wrong, unjust, or illegitimate. PPU influence multiple important marketplace factors such as willingness to pay, intentions to conduct business with a firm, and re-purchase intentions (Campbell

1999; Homburg et al. 2005; Kahneman, Knetsch, and Thaler 1986a & b). Importantly, perceptions of unfair prices can limit firm profits (e.g., Blinder 1991; Guth, Schmittberger, and Schwarze 1982).

Because of the importance of PPU, a growing body of research explores how perceptions of unfairness arise. Perceptions of price (un)fairness have been shown to rest on notions of dual entitlement (KKT 1986) whereby consumers and firms are seen as having rights to their reference prices and profits, respectively. A consumer may assess a given price relative to her reference price and react based on whether her entitlement expectations are violated. Violations of consumer reference prices that increase firm profits are perceived as unfair.

Recent research has expanded upon the classic dual entitlement framework. One stream has focused on understanding references consumers might use. For example, PPU can be influenced by reference points such as: past prices, competitor prices, firm costs, and type of product (e.g., Bolton and Alba 2006; Bolton et al. 2003; Ordonez, et al. 2000). A second line of research focuses on identifying variables, in addition to reference price and profit, that influence consumers' perceptions of (un)fairness. Research demonstrates that PPU are influenced by the inferences the consumer makes about the firm's motives for a price change (Campbell 1999), attributions for the price (Vaidyanathan and Aggarwal 2003; Xia et al. 2004), stimulus-based affect, and the source of the price (Campbell 2007).

Existent research provides evidence that characteristics of the firm influence PPU; the research presented here proposes that additionally, characteristics of the consumer can influence PPU. Specifically, we propose that, symmetric to inferences about the firm, such as inferred motives, consumers may make inferences about the potential harm to consumers from a pricing action and inferred harm can influence PPU. Thus, factors that affect inferred harm are expected to moderate the impact of pricing actions on PPU. Three experiments explore how several factors that influence perceived harm affect price (un)fairness judgments.

Consumers differ in relative advantage and disadvantage. The extent of disadvantage influences the degree of harm inferred from relatively high prices such that it was hypothesized that PPU would be higher when the consumer is relatively disadvantaged. Thus, Study 1 explored inferred harm from "consumer disadvantage" as an influence on PPU. Following KKT, we examine the effect of either decreasing or maintaining price when costs decrease. Inferred harm was manipulated by using two types of consumers. Study 1 had a 2 (price action: no change versus pass along half of a cost decrease) X 2 (consumer type: industrialized versus developing country). While there was no effect of the price action, consumer type significantly impacted PPU. Respondents indicated that it was more unfair to increase profits (by either not changing or only partially passing on the cost decrease) when the consumer was relatively disadvantaged (developing country: 3.96) than when the consumer was relatively advantaged (industrialized country: 4.90; $p<.03$).

Based on the idea that consumers will infer greater harm from relatively high prices for products for which consumers have a more critical need, study 2 explores the effects of "need criticality" on PPU. Inferences of potential consumer harm are manipulated by the criticality of a product. The 2 (price change: decrease vs. no change) X 2 (product: furniture vs. pharmaceuticals) design shows a marginal effect of the price change on PPU (different from KKT); respondents perceived it to be less fair to maintain prices in the face of a price decrease (4.55) than to decrease prices (5.11; $p<.07$). In addition, the company type had the expected effect such that price fairness was lower in the case of medicine (4.45) than furniture

(5.25; $p<.01$). Importantly, inferred harm was seen to mediate the effects of the product type on PPU.

Study 3 primes the concept of consumer need to further explore the role of perceived harm on PPU. The first two studies use different types of consumers (developing versus industrialized countries) and types of products (medicine versus furniture) that vary in terms of the harm of being unable to afford the product. However, while these vary as intended, they could also vary in unintended ways. Study 3 more directly examines the role of need/ harm by priming the concept for the same group of consumers and the same product. Further, this uses a non-essential good (a movie ticket) and a potential price decrease (a price discount for senior citizens). A 2 (prime: comfortably situated versus uncomfortably situated) X 2 (senior discount: present versus absent) shows the predicted interaction. When the idea that seniors have greater need is accessible, a senior discount is perceived to be fair and a lack of a discount is unfair, whereas when the idea of need is not primed, there is no effect of a senior discount on PPU.

This research indicates that inferences of harm to consumers can influence perceptions of the (un)fairness of a price action. Both the need for the product and the relative disadvantage of the consumer influenced the perceived fairness of maintaining or decreasing prices. Further, in study 2, inferred harm mediated the influence of the price on PPU. These findings have implications for our understanding of PPU and, more broadly, for understanding consumers' perceptions of how markets do, and should, work. The evidence suggests that consumers make inferences about the potential harm that could be caused to consumers by price actions. Consumers appear to consider relative affordability of products and to believe that fairness is implicated when consumers can be harmed by relatively high prices. It is important to take this into consideration in conceptualizations of PPU and, more broadly, of market mechanisms.

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## "Understanding Fairness Perceptions for Price Decreases"

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Prior research on price unfairness perceptions has tended to focus on price increases and typically examines this issue based on the principle of dual entitlement (Kahneman, Knetch, and Thaler 1986). According to this principle, fairness perceptions are governed by a belief that firms are entitled to a reference profit and customers are entitled to a reference price. In the current research, we depart from this prior research in two ways. First, we focus on perceptions of price *decreases* rather than increases. Specifically, we explore how consumers respond to firms who lower prices at the expense of other constituents. Second, we expand on the traditional focus in price fairness research from the firm-consumer dyad to a triad which also includes the employee.

Our expanded perspective brings into focus an interesting dilemma for the individual consumer when confronted with a price decrease. With a price decrease, there is the potential for the individual to benefit at the cost of another, such as when a firm enables a price decrease through cost-cutting actions which harm employees. Numerous examples of such situations exist. For example, Walmart has been criticized for keeping costs down by not providing health benefits to its workers, though the ultimate beneficiary of lower prices is the consumer itself. Similarly, Nike has been criticized for its use of sweatshops and cheap foreign laborers. Thus, in determining the relative fairness of these actions and whether to patronize such firms, the consumer must inherently tradeoff their own good vs. that of an unknown other. Consequently, we expect that such decisions will be influenced by the consumer's ethicality or degree to which s/he is self-interested vs. other-focused.

Kohlberg (1969) suggested that individuals evolve along moral stages which relate to the degree to which people act to promote their self interests vs. selfless interests. Since individuals at higher levels of moral development are more likely to act to promote selfless interests, such individuals are more likely to perceive pricing practices which harm others (but benefit the self) as more objectionable than those at lower levels of moral development. Thus, in this paper, we examine how the ethical perspective of consumers (as measured by their cognitive moral development) affects their perceptions of price unfairness. In doing so, this paper integrates the relevant literature on ethics with the literature on price unfairness perceptions.

We examine the effects of price decreases and consumers' cognitive moral development (or ethical perspective) on price unfairness perceptions in two studies. The first study, which uses a 2 x 2 between-subjects design that crosses the existence of harm to others (harm: present, absent) with respondents' level of cognitive moral development (CMD: high, low), illustrates that price decreases can be perceived as unfair and that, consistent with expectations, cognitive moral development moderates these perceptions. Cost savings effected by harming others (e.g., by paying lower wages to employees or cutting employee benefits) led to the resulting price decrease being perceived as less fair than when the price decrease was effected through cost saving actions that did not harm others (e.g., acquiring new production facilities or savvy investments). However, only consumers with high levels of cognitive moral development actually perceived such decreases as unfair.

The second study delves more deeply into the process underlying consumers' price fairness judgments for price decreases. The study used a 2 x 2 x 3 x 2 between-subjects design, crossing firm reputation (high, low), reason for the price decrease (intention: to increase sales, to remain competitive), level of harm (none, low, high), and level of cognitive moral development (low, high). Findings indicate that consumers perceive price changes as being increasingly unfair as the degree of harm to others increases; however, the point at which consumers react to these changes depends on both the firm's intentions and the consumer's level of cognitive moral development. When (harmful) cost-cutting actions are undertaken to increase sales, actions are perceived as unfair regardless of the consumer's level of cognitive moral development. However, when these actions are undertaken to remain competitive, cognitive moral development does matter–any level of harm is viewed as unacceptable by those at high levels of cognitive moral development, while only high levels of harm negatively impact fairness perceptions for those with low levels of cognitive moral development. Despite these differences in fairness perceptions, consumers appeared to evaluate the relative benefits to self vs. others similarly regardless of their level of cognitive moral development.

As a whole, our findings demonstrate that price decreases can be perceived as unfair, but that such perceptions depend on the consumer's level of cognitive moral development, the manner in which the cost savings are realized, and company intentions. By expanding our focus beyond the traditional firm-consumer dyad to a triad which includes the employee, we identify a new class of factors–harm to others–which impact fairness perceptions. In addition, our work highlights the usefulness of cognitive moral development for understanding price fairness perceptions and for explaining individual differences in sensitivity to price fairness issues. Implications for modeling the fairness judgment process, using cognitive moral development as a segmentation variable, and managing consumers' reactions to price changes are discussed.

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## "Justifying the High Price of Medication: How Relational Framing Reduces Consumer Distress"

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*A. Peter McGraw, University of Colorado, Boulder*

Over the last three decades advancements in medicine have lead to enormous gains for pharmaceutical companies. As the industry enjoys significant profits, health care costs have risen at

rates far outpacing inflation. And much of those costs are shared, in one form or another, by consumers. Although prescription drug costs are not the only contributor to rising prices, consumers and policymakers are becoming increasingly more educated and critical of the pharmaceutical industry. The industry has responded with increased public relations and marketing efforts to assuage concerns that medication prices are strictly profit-driven.

The current paper investigates marketing strategies that pharmaceutical companies use to justify the price of medication. In particular, we are interested in how the industry uses relational rhetoric to conceal a focus on profits– a focus that, incidentally, is required of all publicly traded companies. Consider for a moment a quote from Billy Tauzin, president of *PhRMA*, an industry lobbying organization:

"... truth is that we are-as an industry-focused on one thing: the patient. Granted, we're a business-a pretty darn big business. But we're a business OF people working FOR people. We make lives better through better health."

Tauzin's focus is clearly one of solidarity with the patient-consumer. This rationale is a common example of an industry pricing justification where consumers can comfortably believe that everyone is working together and are thus willing to accept higher prices to help reach the ultimate communal goal of improved public health and well-being.

Why might a focus on benefits to all people ease consumer tension? We argue that the message shifts attention away from market norms associated with pricing and refocuses attention on the norms that govern community membership. Fiske (1992) has proposed that people use four types of relationships and their norms to organize, evaluate, and coordinate most social interactions. Here we focus on two most relevant to our investigation:

*Communal sharing* (CS) splits the social world into emotionally charged classes that differentiate in-groups and out-groups without degree of distinction. Everyone in a community shares certain rights and incurs certain duties.

*Market pricing* (MP) makes possible ratio comparisons of the values of diverse entities through the use of a single value or utility metric. This structure underlies capitalism and monetary transactions from simple loans to complex financial instruments. Prototypical relations include most business to customer and business to business exchanges.

We propose that the pharmaceutical industry's strategy is effective because people find it difficult to confront explicit trade-offs between health and money. Put another way, people are reluctant to apply market-pricing rules to 'things,' like medicine, that they feel should be governed by communal-sharing rules (Fiske & Tetlock, 1997). Such taboo trade-offs are distressing to contemplate (see McGraw, Tetlock, & Kristel, 2003; Tetlock, et al. 2000) and people are thus motivated to avoid making such trade-off calculations. In addition, people are skeptical of those (e.g., pharmaceutical and insurance companies) who would make such trade-offs on their behalf.

In this paper, we investigate the effect of relationally *reframing*, or changing the perceived normative 'rules' at work within a trade-off, to obfuscate the unsettling nature of the exchange (see McGraw & Tetlock, 2005). We present the results of a series of studies showing people's perceptions of pricing fairness significantly varies depending on the nature of the good (e.g., medication versus software) and the relational frame of the message. We show that communal-sharing (CS) messages, relative to market-pricing (MP) messages, reduce distress over medication prices and ease perceptions of unfairness for price increases, in part because price increases benefit consumers in the future.

In Study 1 participants were randomly assigned to the role of either patient user or investor in a company that had just launched a successful new sleep aid. It was stated that the pharmaceutical company had been criticized for the medication's price and the participants were asked to evaluate a statement from the company's CEO. In one condition the CEO provided a CS justification (high R&D costs for beneficial medications, patient well-being) and in the other condition, an MP justification (competition, investor well-being). Regardless of their roles as users or investors the MP strategy was more aversive than the CS message. Investors, however, were less distressed by the MP justification than users.

In Study 2 participants were randomly assigned to review hypothetical statements from either a pharmaceutical or software company attempting to justify raising prices on a very successful product to make up for R&D losses on another product. This is a common defense in the pharmaceutical industry, but paradoxically one that previous research has identified as generally unacceptable (Kahneman, Knetsch, & Thaler, 1986). Half of the participants saw a CS rationale and the other half saw an MP rationale for the price increases. Both messages were judged equally fair for those reviewing the software company's statements. However, the MP rationale was judged more unfair than the CS rationale for the pharmaceutical company. That is, people were generally distressed at the price increase but particularly so when a pharmaceutical company's rationale was market driven.

Study 3 examined whether CS justifications were effective for any medication or medications necessary for health. Participants read statements from a pharmaceutical company attempting to justify raising prices on a successful medicine to compensate for R&D losses on another medicine. The product was varied so that participants considered either a cosmetic anti-wrinkle treatment or a cholesterol lowering medication. The CS and MP messages were judged equally fair for the anti-wrinkle treatment's price increase. However, the MP rationale was judged more unfair than the CS rationale for the cholesterol medication.

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# Having vs. Doing: Materialism, Experientialism, and the Experience of Materiality

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## SESSION OVERVIEW

The overwhelming majority of consumer research literature focuses on consumers perceiving, choosing, purchasing, and using objects. While researchers often examine consumers' experiences with these objects, the consumption of experiences and activities that leave a low material trace such as vacationing, attending sporting events, and arts participation, remains under explored.

Philosophers and social scientists often present a moralizing dichotomy between the acquisition of the material and the acquisition of experiences, placing *'the doing'* of experiences on a higher moral and spiritual plane than *'the having'* (Belk 1985; Sartre 1956; Sirgy 1998; Van Boven 2005). This is reinforced in the materialism literature, which finds that materialism, the belief that the acquisition of objects can bring happiness, leads to negative psychological states such as dissatisfaction with life (Sirgy 1998), social anxiety (Schroeder and Dugal 1995), deficit disorder, conduct disorder and narcissism (Cohen and Cohen 1996). From Packard (1957) to Ewen (1976/2001), to Klein (2000), Ritzer (1993) and Schor (1998; 2004), a sociological cottage industry is devoted to the proposition that consumer materialism is a degrading outcome of untrammeled marketing power. Other research into the relationship between experientialism, materialism, and happiness has begun to emerge in psychology; however much theoretical work remains to be done on the types of people who value the experiential, the sociocultural impact of their valuation of the experiential, and the interrelationship between materialism and experientialism.

This session drew noted scholars together to explore the role that consumption experiences should play in our theoretical and empirical conceptualizations of materialism. Through retrospective examinations of research on experiences and revisiting the materialism scale with an eye towards experiences, a rich dialog surrounding this important and underdeveloped component of consumption emerged. The presentations were provocative rather than definitive reports in order to facilitate discourse on the topic during the third part of the session and throughout the conference.

The goals of the session were to increase thoughtful, scholarly investigation into the role of experiences in contemporary consumer culture, to further dimensionalize the materialism construct, and to begin the development of an organizing framework for the concepts presented. Each paper drew on the considerable expertise of the presenter(s), bringing together social psychologists, anthropologists, and sociologists to deeply reflect on how materialism and experientialism are similar and different, and the implications of experientialism for well-being.

In the first presentation, Marsha L. Richins discussed and reflected on the underlying data that led to the creation of her materialism scale (Richins and Dawson 1992). She began by explaining the creation of the object-centered materialism scale. In this presentation, for the first time she reflected on the original exclusion from the scale of experientially-oriented items. She further discussed the role that consumption of experiences might play in the materialism construct. As the developer of the most-widely used materialism scale and an expert on the materialism construct, Professor Richins' insights and reflections helped to provide a common base of understanding for discussion amongst session participants and attendants.

In the second presentation, Michelle F. Weinberger examined the centrality of material and experiential consumption in contemporary society, and identified cultural values undergirding this valuation. Weinberger's background in cultural sociology and her current research on consumption experiences provided another disciplinary perspective on the topic. Using data from depth interviews and ethnographic participant-observation, she discussed the role that experiences play for consumers of different social classes, and suggested that across status groups, consumers strategically collect experiences and objects in different ways to display cultural capital (Bourdieu 1984; Holt 1998). This perspective raises questions about differences between materialism and experientialism as currently conceived, and suggests new dimensions for evaluating the conceptual relationships among materialism, experientialism, social class, and well-being.

Finally, Eric J. Arnould and Linda L. Price put forward a new approach to considering materialism and experience. Professor Arnould's anthropological perspective and Professor Price's social psychology background as well as their research on extraordinary experiences provide substantial expertise for the session. Through examining the concept of well-being and consumers' use of marketplace resources for its creation, they presented a three dimensional matrix as an organizing framework for thinking about the interrelationships between well-being, materiality, and culture.

Taken together, the presentations provided a solid conceptual platform for discussion on the interrelationship between the experiential and the material and the implications of experiential acquisition for materialism research. During this last part of the session, the discussion was led by Professor Melanie Wallendorf whose own research into materialism (Wang and Wallendorf 2006) and consumption experiences (Belk, Wallendorf, and Sherry 1989; Wallendorf and Arnould 1991) uniquely suited her for this role. Rather than just discussing the papers, she facilitated a discussion and brainstorming session between participants and the audience on the belief that material possessions or experiences are essential in producing happiness.

## EXTENDED ABSTRACTS

### "The Nature of Materialism"

*Marsha L. Richins, University of Missouri*

This special session was intended to provide a dialog between scholars with interests in experientialism and those studying materialism. This portion of the session was intended to provide a selective overview of the construct and measurement of materialism, with a particular emphasis on those aspects most relevant to experientialism.

The presentation began with an overview of the nature of materialism as it has been studied in recent years in the field of consumer behavior and related social sciences. Materialism research in consumer behavior began with the pioneering work of Russ Belk, who carried out an extensive program of inquiry into the nature of materialism (e.g. Belk 1985; Ger and Belk 1996). His conceptualization of materialism treated it as a personality trait characterized by envy, nongenerosity, and possessiveness.

Building on Belk's (1985) work, Richins developed a slightly different characterization of materialism based in a person's values rather than one's personality. Her work in material values included the development of the Material Values Scale (Richins and Dawson 1992), which is widely used to measure materialism in consumer behavior and other fields. After briefly reviewing the early work on materialism in consumer behavior, this presentation explored in more detail the development of the Material Values Scale. Particular attention was paid to the reasoning and the qualitative research that informed the definition of materialism advanced by Richins and Dawson (1992) and the decision to exclude experiences from both the construct definition and the measurement scale.

The second part of this presentation explored the relationship between experience and materialism by examining the role of consumer goals or motivations. A central element of materialism is the belief that the acquisition of possessions is essential to life satisfaction and well-being; thus, the desire for happiness is the ultimate motivator for much acquisitive or otherwise materialistic behavior. Empirical evidence, however, consistently shows that materialists' beliefs in a causal linkage between acquisition and well-being are unfounded; a number of studies have shown that increases in income or the acquisition of desired objects rarely improves personal happiness for more than a brief period (e.g. Frederick and Loewenstein 1999). This portion of the presentation will highlight some of the current thinking about how specific motivations may influence the causal connection (or lack thereof) between materialism and well-being (e.g. Carver and Baird 1998; e.g. Srivastava, Locke, and Bartol 2001). It also explored the implications of these findings for experientialism and for possible relationships between experience and well-being.

### "Experiential and Material Consumption: A Cultural Perspective on Materialism Experientailism"
*Michelle F. Weinberger, University of Arizona*

The concept of materialism has fascinated scholars for hundreds of years, as possessions and objects have grown to occupy a focal position in both the process of social stratification and in the ideological conventions of developed nations (Belk 1985). Over the past twenty-five years, consumer research literature has paid significant attention to understanding both what materialism is (Belk 1985; Richins and Dawson 1992) and how a focus on objects influences individuals' lives and society as a whole (c.f. Belk 1985; Sirgy 1998). The term *materialism* has become negatively valenced and meaning laden as anti-materialism scholars have blamed an object orientation for feeding the capitalist system (Smelser 1973) to promoting spiritual vacancy.

The literature frequently conjures up the work of Sartre (1956) and Fromm (1976), by describing a moral ranking where the concepts of *having*, *doing*, and *being* are an ordered hierarchy (Belk 1985; Sirgy 1998; Van Boven 2005). These works describe *having* as the parent of materialism with its focus on accumulation, while *doing* is thought of as connected to experiences and lifestyle and is therefore deemed morally superior. The *doing* component includes consumption experiences that are less durable and less object-centric, such as dining out, traveling, and participating in activities.

While research within consumer behavior has associated materialism with *having*, research within psychology has begun to investigate experientialism, how people's valuation of *doing* rather than *having* impacts happiness and subjective well-being. In this stream, an experiential purchase involves the intention of acquiring a life experience and is contrasted with material purchases where one's intention is to acquire a material object (Smith and Lutz 1996; Van Boven 2005; Van Boven and Gilovich 2003). However, the experientialism research has not truly questioned the boundaries of

where materialism and experientialism crossover or the underlying reasons why people might value experiences and objects differently. Van Boven and Gilovich (2003) speculate that experiences make people happier because they are more open to positive reinterpretation, they are more central to one's identity, and experiences have greater social value. However, it is still unclear what about experiences makes people happier and if all experiences have the same effect.

This paper unpacks the centrality of experiences and objects in creating human happiness by conceptualizing them in terms of the economic and cultural capital that consumers gain through them. It provides a cultural explanation for the dichotomy and examines how different types of experiences and objects are mined by consumers.

Bourdieu's perspective on economic and cultural capital is employed to articulate the difference between material objects and experiences. Economic capital (expressed by converting money or assets into goods and services) can be exchanged monetarily in the market, but cultural capital (the knowledge, skills, and tastes that one tacitly develops) cannot be transferred directly (Bourdieu 1983). Certainly *what* people consume is important; but *how* they consume, the cultural capital they exhibit through their consumption, is what creates status groups and classification. Holt 's (1997) research on cultural capital finds that those with lower cultural capital value and consume with a taste for necessity, preferring items that are more practical, functional, and durable. Often, even when purchasing more expensive items, they consume widely accepted symbols of abundance, such as expensive cars and boats. On the other hand, those with high cultural capital can be more anti-materialist since material deprivation has never been as issue for them. As such, they reject an orientation towards abundance and instead exhibit a taste for the exotic, unique, and authentic. Their orientation is towards gaining a different type of cultural capital through the consumption of objects and experiences. These differences in taste mean that people with different levels of cultural capital purchase in different ways, and even when they are consuming the same things, the meanings behind their consumption is different.

Interestingly, the taste of those with lower cultural capital leads toward expenditures considered by Sartre (1956) and Van Boven (2005) as being in the realm of *having* associated with materialism. By way of contrast, the taste of those with higher cultural capital leads toward expenditures considered to be in the realm of *doing* or *being*. Such expenditures are elevated in a moral sense, exempt from the critique of materialism. Using data from depth interviews and ethnographic participant observation, this perspective raises questions about the scholarly vantage point from which a difference between materialism and experientialism is currently conceived, and suggests new dimensions for evaluating the conceptual relationships among materialism, experientialism, social class, and well-being.

### "Material, Experience, and Materiality"
*Eric J. Arnould, University of Wyoming*
*Linda L. Price, University of Arizona*

"Proper materialism…recognizes the irreducible relation of culture, which through production…creates persons in and through their materiality" (Miller 2005 p. 17). Implicit here is the idea that dividing consumption into goods-based consumption associated with materialism and a *having* orientation, and experience-based consumption associated with a *doing* orientation, may not be optimal for addressing issues of materialism and materiality in consumer research. In this presentation we consider the relationship between materialism, materiality and experience and introduce a

new conceptual model for understanding the interplay of materiality and experience.

Miller (1987) argues that society at a macro-level and consumers at an individual level are created in and through the material forms they project into the world through market mediated consumption activities. Everything from Klingon language and clothing, to river rafting adventures, to virtual financial instruments are forms humans create according to emergent strategies of action and knowledge and enacted through the dispositional order of the habitus (Miller 1987 p. 154). In turn, making, interacting with and consuming such forms produces consumers as "Klingons," Xtreme tourists, or on-line stock traders (Kozinets 2001; Zwick and Dholakia 2006a, 2006b).

Elaborating on Douglas (1992) and Vargo and Lusch (2004), market resources are fundamentally service vehicles. A critical service that both material objects and experiences provide is communication about the particular social position individuals occupy relative to the (narrative) self and socially relevant others. Thus well-being is determined by the capacity for self-creation that is enacted through the appropriation of market provided resources including goods, services and experiences (Miller 2005, p. 20). Lifestyle experiences and consumption practices that produce "authentic" selves or "authoritative" traditions (Arnould and Price 2000) may be viewed as practices of materiality, the consumption fuelled reappropriation of differentiated selves and social worlds, and not as mere vulgar materialism (Miller 1987 pp. 191-193). Moreover, objects, experiences and materialism are in a fundamentally unstable relationship; object and experiences move in an out of the focus of "materialistic" practices (Kopytoff 1986).

We posit a novel approach to materialism and experience via a 3 dimensional matrix which includes a material (object)-immaterial (experience) dimension, an elaborated-unelaborated dimension and an explicit-tactic cultural model dimension. All are envisioned as continuums without sharp boundaries and any example could move onto any space in the matrix depending on consumer action (Kopytoff 1986). The first dimension posits a conventional continuum between consumer goods and consumption experiences that is then problematized by the introduction of the other two dimensions.

The second dimension refers to the degree of imaginative consideration consumers devote to phenomena (Joy and Sherry Jr 2003; MacInnis and Price 1987). Examples include a household furnace (material) and everyday practices of frugality (immaterial), e.g., how people get the last drop of ketchup out of the bottle. Both are instances in which people tend not to provide elaborated accounts of their attitudes, feelings and experiences. The distinction between *having* and *doing* may be most persuasive in this unelaborated space where indexical and iconic meanings are not layered onto objects and experiences (Grayson and Shulman 2000). The concept of an assortment of objects or experiences whose value for happiness is available at market prices and may be highly substitutable with objects and experiences of similar value is consistent with this envisioned space. Research using the materialism construct might be adapted to examine experiences located in this unelaborated portion of the continuum.

In the elaborated space of this continuum, material objects and experiences contribute to happiness, but consumers' imaginative resources singularize and distance objects from commodity value. The heirloom table with knife marks put there by grandchildren is viewed as a source of happiness, but does not conform to conventional ideas of materialism (Curasi, Price, and Arnould 2004). The experience and immaterial value materialized in a wedding dress similarly varies from our ideas of materialism.

The third dimension refers to the nature of the cultural model in which the meaning of things and experiences are inscribed. We find informants who can tell us intricate, imaginative stories and can provide an explicit moral linked to a common set of cultural values (cultural model) associated with cherished possessions (material). River rafting (immaterial) guides provided both elaborate stories about nature, river magic and the like, and linked these stories to varied cultural models of nature and wilderness (Arnould, Price, and Tierney 1998). Many families practice elaborate Thanksgiving celebrations (immaterial) and often enact elaborate scripts and associated stories, but at the same time, rely on tacit cultural models in creating the annual feasts (e.g. we do and have the same thing as everybody else) (Wallendorf and Arnould 1991).

This matrix brings a number of issues into play. First, as suggested by the dashed arrow pyramid, consumer research has focused on some parts of the consumer-material interface, but not others. This raises questions about where and how current materialism constructs, measures, antecedents and consequences apply. Additional meaningful distinctions might center on the valuing of commodified versus singularized objects and experiences (Kopytoff 1986), on the extent to which the firm's value proposition is modified in consumer ownership and use, or other measures and constructs that capture the imaginative resources consumers layer onto objects and experiences (Arnould, Price, and Mahlshe 2005). The third dimension, tacit-explicit cultural models, has received little attention in terms of impact on materialism, experience and materiality. Nevertheless, the reflexivity of consumers in considering their possessions and experiences as against other cultural models may be central for interpreting the antecedents and consequences of materialism. This analysis could help us reconcile the consumer with a vast array of consumer objects and a low materialism score with the consumer who has few objects of value but a high score on materialism (Ger and Belk 1996).

Second, this matrix suggests we do not have theoretically elaborate models in consumer research for what drives movement along these axes. We know that expertise, memory and pleasure may drive consumers along the axis from unelaborated to elaborated, but many research questions remain. We also know that cultural contact, oppositional experiences, life transitions, unfamiliar experiences, and collision between social units (e.g., families with difference traditions) may drive consumers along the tacit to explicit cultural model axis. Researchers have argued that material surfeit drives consumers along the material immaterial axis, but this does not point to which consumers, and in which contexts, nor the plethora of possible consumption experiences consumers may adopt.

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**FIGURE**
Consumer Model of Material Experience

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# Should Marketers Use Price Partitioning or Total Prices?

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## ABSTRACT

Price partitioning means the division of a product's price into several components, provided that the components cannot be bought separately. Only some authors have analyzed the effects of price partitioning. They provide opposed recommendations on the question whether price partitioning is more advantageous than using total prices. In this paper we develop a theoretical background to explain the effects of price partitioning in more detail than it has been done in previous studies. Furthermore we present the results of a new empirical study according to which price partitioning leads to a less favorable product evaluation than does using total prices.

## INTRODUCTION

Some products and services are divided into several (often two) components which are charged single prices but can only be bought in combination (Bertini and Wathieu 2005; Lee and Han 2002), e.g., a fitness club membership and the joining fee. Morwitz, Greenleaf, and Johnson (1998) call this strategy partitioned pricing and they refer to the larger price component as the base price and to the smaller component as the surcharge. Surcharges are most often monetary surcharges, but in some cases the surcharge is a percentage of the base price. From a consumer research perspective it is interesting to examine how consumers react to this pricing technique.

Product or price bundles must be distinguished from partitioned prices because a consumer buying a product bundle pays one total price for several products which can also be bought as separate items. Thus, the difference between price partitioning and price bundling consists in the fact that in the case of price partitioning there is one product which is divided into several (price) components which cannot be bought separately, whereas in the case of price bundling, several products, which can be bought separately, are combined and sold for only one total price.

Some authors assume that price partitioning increases consumers' demand if applied appropriately (Chakravarti et al. 2002; Morwitz, Greenleaf, and Johnson 1998; Xia and Monroe 2004). Other authors argue that all kinds of hidden pricing are disadvantageous because consumers might avoid purchasing products with unclear prices (Ayres and Nalebuff 2003; Lee and Han 2002). Beyond the contradictious findings of a few existing studies, research in marketing has paid only little attention to effects of price partitioning on consumers' attitudes and behavior although partitioned prices are commonly used in marketing practice. Therefore, we discuss arguments in favor of and against price partitioning and explain why the existing literature offers contradictious recommendations. By analyzing additional mediating variables in the relation between price presentation and product evaluation, which have not been analyzed in previous studies, our paper provides new insights in the mechanisms which underlie price partitioning effects and thus is an important contribution to the existing consumer research. Furthermore our research enables marketers to plan their pricing strategies more carefully when choosing between using total prices and price partitioning or when deciding which type of price partitioning to apply.

## EMPIRICAL AND THEORETICAL BACKGROUND

We first sum up four previous studies on price partitioning. Then we present our theoretical research model which is supposed to explain effects of price partitioning in more detail than it has been done in the existing studies.

### Previous Research on the Effects of Price Partitioning

Morwitz, Greenleaf, and Johnson (1998) found that price partitioning increases consumers' demand compared to all-inclusive prices. Lee and Han (2002) report from their findings that using partitioned prices can cause negative consumer reactions, which leads to a negative change of brand attitude. Chakravarti et al. (2002) found that a product with a partitioned price for its components was evaluated more favorably and chosen more frequently than the same product with a total price. Xia and Monroe (2004) report that price partitioning has positive effects on both consumers' price satisfaction and their purchase intentions. As the authors of the cited studies came up with contradictious findings, based on these findings, it is not possible to derive a clear recommendation on whether marketers should use or avoid price partitioning. Therefore, we present theoretical approaches which can be applied to price partitioning and provide additional insights in effects of price partitioning (versus using total prices) on product evaluation, which can serve to explain the differing findings of the previous studies, and which enable us to derive clear recommendations on the appropriateness of price partitioning compared to using total prices.

### New Research Model

In order to analyze the effects of price partitioning versus using total prices on product evaluation we consider the effects of three mediating variables between price presentation and product evaluation which have been mentioned in research on price partitioning before. Consumers' evaluation of the total price level (i.e. their satisfaction with the price, their evaluation of a price as being comparatively low or high) and their perceived complexity (versus clarity) of the price structure are supposed to be relevant variables in the context of price partitioning effects (Xia and Monroe 2004). Since the marketer's intent also is often mentioned in the field of price research (Campbell 1995; Maxwell 1995), we argue that different types of price presentation also have effects on a consumer's belief about the intention the marketer pursues with using a certain pricing technique (e.g. mislead the customer by using partitioned prices) and thus include the consumers' belief about the marketer's manipulative intent in our research model. The resulting model is shown in figure 1.

Price presentation is a nominal variable with five values: total price and four types of partitioned prices. The types of price partitioning considered in this paper are combinations of surcharge amount relative to the base price (low, high) and surcharge presentation (monetary, percentage) for prices consisting of two components. We do not consider prices which consist of more than two components because over-partitioning (i.e. offering separate prices

**FIGURE 1**
EFFECTS OF PRICE PARTITIONING VERSUS USING TOTAL PRICES
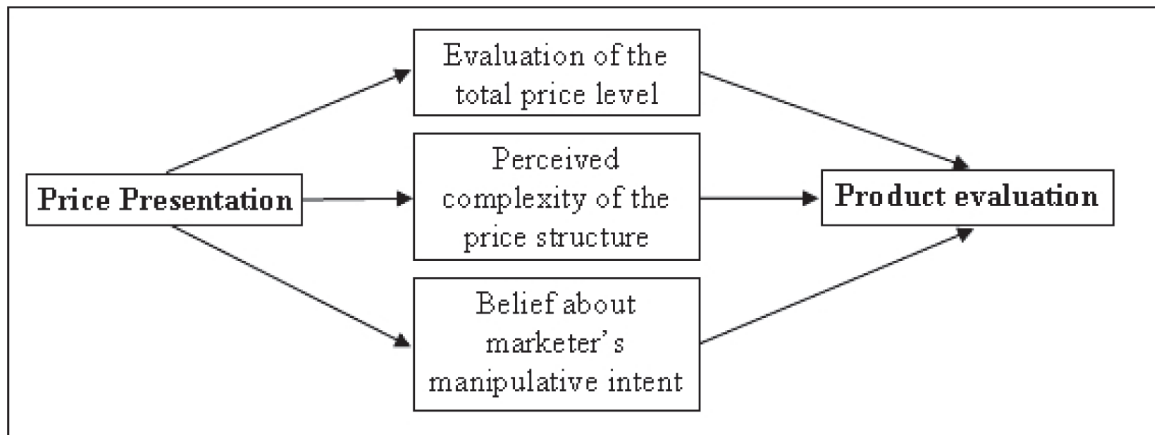


for many product components) has been found to be disadvantageous (Xia and Monroe 2004). In the following sections we discuss theoretical approaches to found the relations assumed in figure 1.

**Effects of Price Presentation through Consumers' Evaluation of the Total Price Level on Product Evaluation**

Consumers' evaluation of the total price level as being comparatively low (positive evaluation) or high (negative evaluation) is supposed to have a positive effect on product evaluation. We now discuss possible effects of price partitioning versus using total prices on consumers' evaluation of the total price level. Morwitz, Greenleaf, and Johnson (1998) used the anchoring and adjustment heuristic to predict a positive effect of price partitioning on product evaluation. Applying 'anchoring and adjustment' to the processing of partitioned prices means that people are exposed to two components of a single stimulus (base price and surcharge). Their estimation task consists in calculating the total price. According to Yadav (1994) the base price is noticed first and the estimated total price is supposed to be biased toward the base price because the surcharge is insufficiently processed. Thus, if consumers use the anchoring and adjustment heuristic to process partitioned prices, they are supposed to evaluate the total price level as being comparatively low (positive evaluation) which leads to a positive overall effect on product evaluation.

'Averaging' might be another relevant strategy in the context of processing information about stimulus components. The studies of Troutman and Shanteau (1976) and Gaeth et al. (1990) show that people average bundle components so that minor components disproportionally contribute to the bundle's overall evaluation. Transferred to price partitioning the overestimation of the minor component (the surcharge) is supposed to lead to a higher estimate of the total price because both the valence of the components and the cognitive effort needed to determine the components' valence are considered. As the cognitive effort is not proportional to the price components' valence, the surcharge is ascribed a higher weight than it has in fact which results in 'averaging'. Using this processing strategy leads to an evaluation of the total price level as being comparatively high (negative evaluation) and thus to a negative overall effect on product evaluation.

Finally, the value function of the prospect theory (Tversky and Kahneman 1981) can also be used to explain the processing of stimulus components. Johnson, Herrmann, and Bauer (1999) report that total prices are more advantageous than partitioned prices because, based on the prospect theory argument, two single losses

subjectively weigh more heavily than one total loss which objectively corresponds to the sum of the single losses. Thus, based on this argument, consumers are supposed to evaluate the total price level of a partitioned priced product as being comparatively high (negative evaluation) which also leads to a negative overall effect on product evaluation.

Considering the three fields of research presented above which can be applied to gain further insights in possible mechanisms underlying the effects of price partitioning on product evaluation, we have conflicting assumptions on possible effects of price partitioning compared to using total prices because one theoretical approach suggests that partitioned prices are more beneficial than total prices whereas according to the other two approaches partitioned prices should not be used. The extent of difficulties in processing partitioned prices consumers perceive might explain why consumers unconsciously choose one of the three strategies to process price information and to evaluate the total price level (Morwitz, Greenleaf, and Johnson 1998). We assume that consumers use the anchoring and adjustment heuristic to process partitioned prices if they have considerable difficulties in processing the price components (i.e. in the case of a percentage surcharge). In this case they disregard the surcharge or only process it insufficiently which leads to the calculation of a low total price and thus to the evaluation of the total price level as being comparatively low (positive evaluation). However, if consumers do not perceive major difficulties in processing the surcharge (i.e. in the case of a monetary surcharge), they might try to process both components more accurately on the basis of 'averaging' or by applying the value function which results in the calculation of a comparatively high total price und thus in the evaluation of the total price level as being comparatively high (negative evaluation). These considerations lead to:

H1a: When using a percentage surcharge, price partitioning leads to a more favorable evaluation of the total price level than does using total prices.

H1b: When using a monetary surcharge, price partitioning leads to a less favorable evaluation of the total price level than does using total prices.

In order to explain effects of different surcharge amounts relative to the base price we cannot use the 'difficulty argument' because 'processing difficulty' is defined by the type of mathematical operation (addition versus multiplication) needed to execute

(Morwitz, Greenleaf, and Johnson 1998). Such effects can rather be explained by a cost-benefit approach. In the case of a low surcharge, the benefit of knowing the exact total price is low. Thus consumers might not be interested in processing the surcharge (Xia and Monroe 2004) and they might evaluate the total price level as being comparatively low. If the surcharge is high, consumers might judge the benefit of knowing the total price higher than the mental costs of processing the two price components (Xia and Monroe 2004) and consequently, they might calculate the total product price and thus evaluate the total price level as being comparatively high. Based on these considerations we derive:

H2: When using price partitioning, a low surcharge leads to a more positive evaluation of the total price level than a high surcharge (provided that the objective total price is the same in both cases).

With regard to the effect of the evaluation of the price level on product evaluation we assume:

H3: The more positive consumers' evaluation of the price level, the more positive is their product evaluation.

**Effects of Price Presentation through 'Perceived Complexity of the Price Structure' and 'Belief about Marketer's Manipulative Intent' on Product Evaluation**

The construct 'perceived complexity of the price structure' mirrors the fact the consumers perceive prices as being more or less transparent. As consumers expect marketers to use transparent prices, they might be dissatisfied when the price structure is more complex (less transparent) than they have expected (Lee/Han 2002). Presumably the price structure of a partitioned price is more complex than the one of a total price because in the first case there are at least two components which have to be processed. The dissatisfaction resulting from the unexpectedly high complexity will be transferred to the product and thus lead to a negative attitude toward the product. This argument might especially hold in the case of percentage surcharges (compared to monetary surcharges) because they make partitioned prices even less transparent. These considerations lead to:

H4: Generally, partitioned prices are perceived as being more complex than total prices. Consumers evaluate partitioned prices consisting of a base price and a percentage surcharge as being even more complex than prices consisting of a base price and a monetary surcharge.

With regard to the effect of perceived complexity of the price structure on product evaluation we assume:

H5: The more consumers perceive the price structure as being complex, the more negative is their product evaluation.

Moreover, consumers are supposed to think about the reasons a marketer has for applying partitioned prices instead of total prices (e.g., masking an excessive price). When faced with partitioned prices consumers are believed to ascribe a higher manipulative intent to the marketer than when faced with total prices because they might assume that the marketer tries to mislead them by using several price components. This assumption leads to a comparatively unfavorable evaluation of the product. This argument rather applies to percentage surcharges than to monetary surcharges because many consumers might neither be able nor willing to calculate the correct total price in the case of a percentage surcharge

and they might have the impression that the marketer tries to mislead his customers even more by using a percentage surcharge (Morwitz, Greenleaf, and Johnson 1998). Based on this argument we derive:

H6: Generally, in the case of partitioned prices, consumers feel more being manipulated than in the case of total prices. In the case of a percentage surcharge, consumers even ascribe a higher manipulative intent to the marketer than in the case of a monetary surcharge.

With regard to the effect of consumers' belief about the marketer's manipulative intent on product evaluation we assume:

H7: The more consumers feel being manipulated by the marketer, the more negative is their product evaluation.

Summarizing the theoretical considerations presented above, the effects of price partitioning compared to using total prices on product evaluation are supposed to be rather negative because the negative effects seem to outweigh the positive effects. The above derived hypotheses on the effects of price partitioning versus using total prices are tested in a new empirical study which is presented in the next section.

## NEW EMPIRICAL STUDY

**Experimental Design and Measures**

In our empirical study we used partitioned prices which consisted of two components and total prices. We chose test stimuli which were familiar to the respondents and which were regularly bought by them. Furthermore, the examples were chosen in compliance with the condition that both total and partitioned prices were realistic for these products or services. The authors of the previous studies on effects of price partitioning used surcharges ranging from 6 per cent to 43 per cent. Based on this specification we chose 5 and 40 per cent as low and high surcharges. We kept the total product prices approximately the same across conditions (i.e. line by line, the total prices are about the same, see table 1).

We created short scenarios containing product and price information to put the respondents in purchase situations which were as realistic as possible. The scenarios we used for the total price condition are shown in table 2 in a shortened version. All scenarios started with the words "Imagine, you would like to buy/ get …". The scenarios for the partitioned price conditions were the same but with single prices for the two components as listed in table 1.

The measures for the model variables and the correlations (for two items) as well as the Cronbach Alpha values (for three and more items) are shown in table 3.

In order to determine if the single items can be aggregated to the respective construct, we calculated Cronbach's Alpha if three or more items were used to measure one construct and bivariate correlations if two items were applied to measure a certain construct because Cronbach's Alpha is not appropriate for two item scales (Hulin and Cudeck 2001). The high correlation and Alpha values show that the construct values can be calculated as arithmetical means of the single indicators for each construct. These arithmetical means will be used in the analyses presented subsequently. In order to prove that the constructs can be clearly separated from each other, the correlations between the constructs are summarized in table 4.

The correlations between the constructs are moderate indicating that the constructs can be clearly separated from each other.

**TABLE 1**
EXPERIMENTAL DESIGN

| Product | Total product Price | Low surcharge (5 per cent) | | High surcharge (40 per cent) | |
|---|---|---|---|---|---|
| | | Monetary surcharge | Percentage surcharge | Monetary surcharge | Percentage surcharge |
| Mobile phone contract basic fee + price for minimum of call units (monthly) | € 20.00 | € 19.00 + € 1.005 | € 19.00 + 5% | € 14.30 + € 5.70 | € 14.30 + 40% |
| Sauna entrance + water park ticket | € 18.00 | € 17.20 + € 0.80 | € 17.20 + 5% | € 12.90 + € 5.10 | € 12.90 + 40% |
| Concert ticket + advance sale charge | € 50.00 | € 47.60 + € 2.40 | € 47.60 + 5% | € 35.70 + € 14.30 | € 35.70 + 40% |
| Hotel + visitors' tax | € 80.00 | € 76.20 + € 3.80 | € 76.20 + 5% | € 57.20 + € 22.80 | € 57.20 + 40% |
| Oil change service + car oil | € 150.00 | € 142.80 + € 7.20 | € 142.80 + 5% | € 107.10 + € 42.90 | € 107.10 + 40% |

**TABLE 2**
SCENARIOS

| Mobile phone Contract | Sauna entrance plus water park ticket | Concert ticket plus advance sale charge | Hotel plus visitors' tax | Oil change plus car oil |
|---|---|---|---|---|
| Buying a two-year mobile phone contract, monthly basic fee including a monthly minimum of required call units: € 20. | Using only the sauna area of a water park, but not the pools, pools are not separated from the sauna area, have to pay for both the pool and the sauna entrance, total price for 2 hours: € 18. | Visiting a concert, want to buy a ticket in advanced sale, ticket price including advance sale charge: € 50. | Planning a stay at a three-star hotel in Spain, bed and breakfast price per night including visitors' tax: € 80. | Car oil change, total price for oil change service including high-quality oil: € 150. |

**Procedure and Results**

175 respondents (86 men, 89 women) participated in our study in 2004 in Germany (35 participants per experimental group). Each participant evaluated all five test stimuli in the same manipulation condition, for example all five products with a partitioned price consisting of a base price and a low monetary surcharge. Using five examples per person served as a sample multiplier. The respondents read the first scenario, evaluated the first product, and indicated their evaluation of the total price level, of the complexity of the price structure and their belief about the marketer's manipulative intent (statements on 7-point scales). They then read the second scenario, completed the corresponding scales and so on. Finally, correspondents provided their involvement in the product categories which was needed to judge the comparability of the product categories, their age and gender. The order of the scenarios varied from person to person to control for order effects.

The five experimental groups were structurally equal with regard to age ($F=1.606$, $p>.10$) and gender (chi square=3.887, $p>.40$). In order to analyze the effects of price presentation on the mediator variables and on the target variable 'product evaluation', we used univariate models with 'price presentation' as independent variable and 'evaluation of the total price level', 'perceived complexity of the price structure', and 'belief about marketer's manipulative intent' as dependent variables in a first step. In a second step we applied a regression analysis to analyze the effects of the mediator variables on product evaluation. In a last step we conducted tests of mediation to prove that the assumed mediators indeed mediate the relation between 'price presentation' and 'product evaluation'. Using structural equation models instead of the three steps of analyses chosen here would have had the advantage that all effects could have been tested simultaneously. However, using structural equation models is not possible in the constellation

**TABLE 3**
MEASURES

| Model variable | Statement | Alpha/ Correlation |
|---|---|---|
| Evaluation of the total price level (P) | In general, this product is well-priced<br>Compared with similar products' prices, this price is well-priced.<br>This price is attractive. | .954 |
| Perceived complexity of price structure (C) | The presentation of the price is unclear.<br>I cannot notice this price at a glance. | .619 |
| Belief about marketer's manipulative intent (M) | My friends would judge this price as being an unfair price.<br>This supplier demands an unfair price. | .481 |
| Product evaluation (E) | This offer appeals to me.<br>This offer is attractive.<br>This offer is convincing.<br>This offer is worth the money. | .956 |
| Product category involvement (I) | Before buying … I gather a lot of product information.<br>When buying … I choose it very carefully. | .698 |

**TABLE 4**
CORRELATIONS

| Model variable | P | C | M | I |
|---|---|---|---|---|
| Evaluation of the total price level (P) | | | | .013 |
| Perceived complexity of the price structure (C) | -.347 | | | .123 |
| Belief about marketer's manipulative intent (M) | -.427 | .714 | | .077 |
| Product evaluation (E) | .741 | -.395 | -.635 | .111 |

considered here, because these models which are based on correlations or covariances require metric input data and the independent variable 'price presentation' (total price, four forms of price partitioning) is only nominal.

We now present the univariate analyses conducted in the first step. As the respondents proved to have different levels of involvement for the single product categories which had been intended to be used for sample multiplication, we integrated involvement as a metric covariate in the models to control for the involvement effect. The mean values and further results based on the pooled sample (across the five products) are shown in table 5.

The mean values show that consumers evaluate the total price level as being lower (favorable evaluation), but the complexity of the price structure and the marketer's manipulative intent as being higher when price partitioning is applied instead of using total prices. The overall effect of price partitioning compared to using total prices on product evaluation is negative because the mean value of product evaluation is highest in the case of a total price and is lower in all conditions of price partitioning considered here. In order to test the hypotheses H1, H2, H4, and H6 we applied $t$ statistics and we additionally report the results of Scheffé tests ($p_S$) to show that these are in line with the $t$ statistics ($p_t$).

We now look closer at the effects of price partitioning versus using total prices on the evaluation of the total price level. Using partitioned prices with percentage surcharges leads to a signifi-

cantly more positive evaluation of the price level than using total prices (low surcharge: 4.67-3.47: $t=6.53$, $p_t<.001$, $p_S<.001$; high surcharge: 4.38-3.47: $t=5.84$, $p_t<.001$, $p_S<.001$). Thus H1a is supported. However, H1b is not supported because contrarily to the assumption of H1b, the evaluation of the price level is more positive when using partitioned prices with monetary surcharges than when using total prices.

With regard to H2 the mean values of the evaluation of the total price level show that at least descriptively low surcharges lead to a more favorable evaluation of the total price level than do high surcharges. The difference of the mean values is highly significant for the case of monetary surcharges, but only significant at the .10 level for the case of percentage surcharges (monetary surcharge: 4.41-3.59: $t=5.26$, $p_t<.001$, $p_S<.001$; percentage surcharge: 4.67-4.38: $t=1.47$, $p_t<.10$, $p_S<.10$). Thus, H2 is widely supported.

The basic assumption of H4 was that partitioned prices are perceived as being more complex than total prices. This assumption is at least descriptively supported by the mean values and the pairwise differences are significant in three of four cases (3.51-2.97: $t=3.96$, $p_t<.001$, $p_S<.001$; 2.99-2.97: $t=.13$, $p_t>.10$, $p_S>.10$; 3.77-2.97: $t=4.96$, $p_t<.001$, $p_S<.01$; 5.11-2.97: $t=11.65$, $p_t<.001$, $p_S<.001$). The second part of H4 consisted in the assumption that, if only considering partitioned prices, consumers evaluate partitioned prices with a percentage surcharge as being even more complex than partitioned prices with a monetary surcharge. The

**TABLE 5**
RESULTS OF THE UNIVARIATE MODELS WITH INVOLVEMENT AS COVARIATE

| Dependent variable | Total price | PP LM | PP HM | PP LP | PP HP | *F* value effect PP | *F* value covariate I | $R^2$ |
|---|---|---|---|---|---|---|---|---|
| Evaluation of the total price level[1] | 3.47 | 4.41 | 3.59 | 4.67 | 4.38 | 17.27 ($p<.001$) | 1.47 ($p>.10$) | .07 |
| Perceived complexity of the price structure[2] | 2.97 | 3.51 | 2.99 | 3.77 | 5.11 | 76.27 ($p<.001$) | 14.54 ($p<.001$) | .27 |
| Belief about marketer's manipulative intent[3] | 3.03 | 3.05 | 3.39 | 3.60 | 4.50 | 36.49 ($p<.001$) | 4.53 ($p<.05$) | .15 |
| Product evaluation[1] | 4.11 | 3.54 | 3.54 | 3.65 | 3.53 | 8.10 ($p<.001$) | 5.04 ($p<.05$) | .05 |
| *N* | 175 | 175 | 175 | 175 | 175 | | | |

PP: partitioned price, L: low, H: high, M: monetary surcharge, P: percentage surcharge, I: product category involvement
[1]: 1=very unfavorable evaluation, …, 7=very favorable evaluation
[2]: 1=low complexity, …, 7=high complexity
[3]: 1=low manipulative intent, …, 7=high manipulative intent

**TABLE 6**
RESULTS OF THE SOBEL TESTS OF MEDIATION

| Test of mediation for the dummy variable | Evaluation of the price level | Perceived complexity of the price structure | Belief about marketer's manipulative intent |
|---|---|---|---|
| total price | $z=5.24$, $p<.001$ | ($z=.69$, $p>.10$) | ($z=.05$, $p>.10$) |
| low monetary surcharge | $z=20.03$, $p<.001$ | ($z=.14$, $p>.10$) | $z=4.91$, $p<.001$ |
| high monetary surcharge | $z=4.28$, $p<.001$ | $z=7.70$, $p<.001$ | ($z=.90$, $p>.10$) |
| low percentage surcharge | $z=4.68$, $p<.001$ | $z=9.88$, $p<.001$ | $z=1.35$, $p<.10$ |
| high percentage surcharge | $z=18.75$, $p<.001$ | $z=10.66$, $p<.001$ | $z=10.99$, $p<.001$ |

mean values show that descriptively, percentage surcharges lead to the perception of a higher price structure complexity than do monetary surcharges, but the difference is only highly significant in the case of a high surcharge amount (low surcharge: 3.77-3.51: $t=1.45, p_t<.10, p_S<.10$; high surcharge: 5.11-2.99: $t=11.54, p_t<.001, p_S<.001$). Thus, taken together, H4 is widely supported.

The basic assumption of H6 again was that being confronted with partitioned prices, consumers generally feel more being manipulated than when being confronted with total prices. This first part of H6 is descriptively supported by the mean values and the pairwise differences are significant in three of four cases (3.05-3.03: $t=.14, p_t>.10, p_S>.10$; 3.39-3.03: $t=2.58, p_t<.01, p_S<.01$; 3.60-3.03: $t=3.58, p_t<.001, p_S<.001$; 4.50-3.03: $t=8.41, p_t<.001, p_S<.001$). With regard to the second part of H6 the mean values of the belief about the marketer's manipulative intent show that percentage surcharges lead to a higher perceived manipulative intent than do monetary surcharges (low surcharge: 3.60-3.05: $t=3.49$, $p_t<.05$, $p_S<.05$; high surcharge: 4.50-3.39: $t=6.35, p_t<.001, p_S<.001$). Thus, H6 is widely supported.

We now present the second step of our analyses which consisted in proving that all three mediator variables have significant effects on product evaluation. The results of a regression analysis ($R^2=.86$) show that the evaluation of price level has a strong and significantly positive effect on product evaluation ($\beta=.36$, $t=8.26$,

$p<.001$). Thus, consumers show a more positive evaluation of the product with an increasing positive evaluation of the price level and therefore, H3 is supported. Perceived complexity of the price structure has a significantly negative effect on product evaluation as assumed in H5 ($\beta=-.22$, $t=-6.27$, $p<.001$) which means that the more consumers perceive the price structure as being complex, the more negative is their product evaluation. The belief about the marketer's manipulative intent also influences product evaluation significantly negatively ($\beta=-.34, t=-8.31, p<.001$) which means that the more consumers feel being manipulated by the marketer, the more negative is their product evaluation supporting H7.

Finally we show that the variables which were assumed to be mediator variables are indeed mediator variables by conducting separate tests of mediation for each mediator variable following the recommendations of Baron and Kenny (1986). As regression analyses need to be conducted to test the mediating effects of the considered variables, the independent variable 'price presentation' (five nominal values: total price, low/high monetary/percentage surcharge) has to be transformed into five dummy variables to be appropriate for the regression analysis. Having five independent variables we consequently have to conduct five tests of mediation for each mediator variable. Using the Sobel test (Sobel 1982) leads to the results summarized in table 6.

Most of the tests lead to significant results indicating that the chosen variables indeed mediate the relation between price presentation and product evaluation.

Summarizing the findings of all conducted analyses, the results show that price partitioning has effects on product evaluation through different paths. The path through the evaluation of the price level has a positive sign, whereas the other two paths through perceived complexity of the price structure and belief about the marketer's manipulative intent have negative signs. The negative signs of the latter paths seem to outweigh the positive sign of the first path.

## CONCLUSION

The starting point of our investigation has been the fact that the authors of existing studies on effects of price partitioning came up with contradictious findings. Our study was intended to have a closer look at the mechanisms which underlie price partitioning effects. The results of our study show that price partitioning leads to a more favorable evaluation of the total price level, but to a higher perceived complexity of the price structure and to a higher perceived manipulative intent of the marketer than does using total prices. The overall effect of price partitioning on product evaluation proved to be negative compared to using total prices which is due to the fact that the negative effects of price partitioning through perceived complexity of the price structure and manipulative intent outweigh the positive effect through the evaluation of the total price level. The contradictious findings of previous studies might be traced back to the fact that the authors did not analyze all of these paths. Thus, summing up our results, we can say that marketers should not use partitioned prices because the disadvantages of this pricing technique outweigh the advantages. Provided that a marketer has to use partitioned prices for some reason (e.g. because partitioned prices are common or regulated by law in his industry), we can derive from our findings that monetary surcharges should be preferred over percentage surcharges because when applying monetary surcharges, prices are perceived as being less complex and the marketer is supposed to have a lower manipulative intent than in the case of percentage surcharges.

As starting points for further studies we suggest analyzing price partitioning effects in field experiments in retail stores because up to now, such effects have only been analyzed in simulated experiments. Using field experiments one could especially analyze how consumers decide between two comparable products with one product having a total price and the other product having a partitioned price. Moreover, it might be interesting to examine price partitioning effects for very low or very high priced products because the products considered in the study here are medium-priced. Furthermore, it might be helpful for practitioners to know whether there are special conditions under which using price partitioning might be beneficial, e.g., when a third party is responsible for one of the single price components.

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# The Influence of Culture on Responses to the Globe Dimension of Performance Orientation in Advertising Messages – Results from the U.S., Germany, France, Spain, and Thailand

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## INTRODUCTION

In many societies, individuals place a high level of importance upon performing well, for instance, in the workplace, in sports and in the marketplace. For both researchers and practitioners in the area of international advertising, it is of interest to know whether fashioning ads that incorporate performance-oriented appeals is likely to result in more favorable responses to such ads and whether local culture influences the perception and evaluation of these appeals.

The current paper proposes a conceptual model, which attempts to explain the impact of the cultural dimension of performance orientation on the perception and evaluation of a standardized advertisement. Little is known regarding factors which influence the success of standardized international campaigns (Zinkhan, 1994; Taylor, 2005) and research examining how standardized international campaigns are perceived and evaluated in different countries has been limited (for instance, Hudson, Hung, and Padley, 2002; Callow and Schiffman, 2004). The basic concept behind the model presented here is that a given standardized advertising stimulus is likely to be perceived and evaluated differently in various cultures, dependent upon the level of importance individuals place on performance orientation (individual level performance orientation) as well as the level of performance orientation in the environment surrounding that individual (societal level performance orientation). Hence, the model explicitly differentiates between cultural dimensions on an individual level versus cultural dimensions on a societal level.

By proposing a culturally-based conceptual model that explains the perception and evaluation of international advertising, the manuscript contributes to the development of a more general theory of culture's impact on advertising, which was identified as a key area for future research in international advertising (Taylor, 2005).

## THE CULTURAL DIMENSION OF PERFORMANCE ORIENTATION ACCORDING TO THE GLOBE FRAMEWORK

The conceptualisation of performance orientation in this investigation is based on a framework entitled GLOBE (Global Leadership and Organizational Behavior Effectiveness Research Program), which identified performance orientation as one of nine cultural dimensions capable of describing cultural variation among a large number of countries (House et al., 2004). As the GLOBE project provides data on societal performance orientation for a wide scope of nations–among them all major markets in terms of total global advertising expenditures–both academics and practitioners have access to a priori information on this cultural dimension. Terlutter, Mueller, and Diehl (2005) have applied GLOBE's cultural dimension of assertiveness to international advertising (see also Terlutter, Diehl, and Mueller, 2006).

GLOBE researcher Javidan (2004, 239) defines performance orientation as "the extent to which a community encourages and rewards innovation, high standards, and performance improvement." Performance orientation, as outlined by GLOBE researchers, has its roots in McClelland's (1961) concept of need for achievement, which is defined as the need to continually do better (McClelland, 1987). According to McClelland (1987), individuals with a high need for achievement tend to obtain pleasure from steady improvement. They prefer to work on tasks with moderate probabilities of success as these represent a challenge. Such individuals take personal responsibility for their actions and search out information on how to do things better. Performance orientation in the GLOBE study has also similarities to Schwartz and Bilsky's (1987) concept of achievement. They define achievement as "personal success through demonstrated competence" (p. 880).

GLOBE provides data on the societal level and explicitly differentiates between societal values and societal practices. The distinction between cultural values and cultural practices was incorporated to correspond with Schein's (2004) concepts of artifacts vs. espoused values as two unique levels of culture (House and Hanges, 2004). Artifacts are the visible products, processes and behaviors of a culture. They mainly reflect the "as is" and, therefore, the cultural practices. Espoused values are the individuals' or society's sense of what ought to be, as distinct from, what is. They primarily reflect the "should be" and, therefore, the cultural values.

Cross-cultural research has emphasized the importance of distinguishing between the influence of culture on an individual level, versus on a national or societal level (e.g., Schwartz, 1994; Triandis, 1995; Singelis and Brown, 1995; Malhotra, Agarwal, and Peterson, 1996; Kacen and Lee, 2002). As individuals are socialized through values that are held and behaviors that are practiced within their cultures, it is very likely that they adopt values and practices that are shared among members of their society (Markus and Kitayama, 1991). With regard to societal and individual performance orientation, culture-level data and individual level data on performance orientation can be expected to have similar, but not necessarily identical patterns. While GLOBE provides data on the societal level, i.e. culture-level, it does not do so on the individual level. This investigation collects data on performance orientation at the societal as well as the individual level.

## DEVELOPMENT OF THE CONCEPTUAL MODEL

Performance orientation is seen as desirable among members of many societies. Countries exhibiting high levels of performance orientation achieve–though typically within several decades time–an above average increase in economic wealth (McClelland, 1967). On an individual level, according to Schwartz and Bilsky (1987), performance orientation generally results in increased social acceptance and the admiration of others. Performance orientation also leads to increased status (Trompenaars, 1993). Hence, performance orientation is often viewed as something desirable at both the societal as well as the individual level. With regard to advertising, employing performance-oriented appeals may therefore be an effective means of enhancing the success of a commercial. It is thus expected that the level of perceived performance orientation in an advertisement leads to a more positive evaluation of the ad.

> *H1a: Perception of a higher level of performance orientation in an advertisement leads to a more positive evaluation of that advertisement.*

The relationship between the level of perceived performance orientation in an advertisement and the evaluation of the advertisement is expected to be positive in all countries, but its strength may vary depending on the importance that individuals in each country place upon performance orientation. If performance orientation is perceived as an important value by individuals of a given country, then the level of perceived performance orientation in an advertisement will have a stronger influence on the evaluation of the advertisement. The greater the importance of performance orientation, the more central it becomes in the individual's evaluation of an advertisement. On the other hand, if performance orientation is perceived as less important by individuals in a particular country, then the level of perceived performance orientation will likely play a less significant role in the judgment of that advertisement. Therefore, it is expected that in those nations in which individuals place greater importance on performance orientation, influence of the level of perceived performance orientation in an advertisement on the evaluation of that advertisement will be stronger, compared with those nations in which individuals place less importance on performance orientation. Hence, we hypothesize:

> *H1b: The influence of the level of perceived performance orientation in an advertisement on the evaluation of that advertisement will be stronger in those nations in which individuals place greater importance on performance orientation, compared with those nations in which individuals place less importance on performance orientation.*

One might expect that the country ranking highest in terms of performance orientation would most positively evaluate ads incorporating performance-oriented appeals. However, individuals' perceptions and evaluations of commercial messages are also based on the individual's frame of reference. Helson's (1948) adaptation-level theory and Parducci's (1965) range-frequency theory postulate that, based on previously encountered stimuli and the stimuli of a particular situation, the individual has a given adaptation-level, which serves as a comparison standard for subsequent perception and evaluation of stimuli.

In terms of advertising, both, adaptation-level theory as well as range-frequency theory suggest that the perception of performance orientation in commercial communications may be dependent upon the level of performance orientation surrounding the individual, which serves as a comparison standard for the perception of performance orientation in a given commercial. If the cultural environment, i.e. the society to which an individual belongs, is highly performance-oriented and places great importance on success, this level of performance is likely to serve as a frame of reference. This suggests that, in a culture with a high comparison standard regarding performance orientation, an ad designed to incorporate a performance-oriented appeal may be perceived as only mildly performance-oriented in nature. Conversely, in a cultural environment that is less performance-oriented, where individuals have a lower reference value regarding performance orientation, the very same ad may be viewed as highly performance-oriented in nature. In other words, a consumer socialized in a performance-oriented environment might perceive a given advertisement as significantly less performance-oriented than a consumer socialized in a relatively less performance-oriented environment would evaluate that very same ad.

It is expected that, given a standardized advertisement designed to incorporate a performance-oriented appeal, individuals in highly performance-oriented cultures will perceive a lower level of performance orientation in that advertisement than individuals in less performance-oriented cultures.

> *H2: Subjects from nations with lower performance orientation scores will perceive higher levels of performance orientation in a standardized advertisement incorporating a performance oriented appeal, compared with subjects from nations with higher performance orientation scores.*

Figure 1 displays the proposed conceptual framework of the analyses.

## RESEARCH DESIGN AND METHODS

To test the above stated hypotheses, a non-student survey was conducted in five countries, the U.S., Germany, France, Spain and Thailand. In-person interviews were conducted in each country. A full-page advertisement for a wrist-watch was developed. The ad portrayed a team on a sail boat, successfully manoeuvring through strong swells, thereby demonstrating performance-oriented behavior. In addition, the slogan in the ad read "Every performance counts." The ad was for a fictional brand of wrist-watches ("Schwartz"), in order to control for attitudes toward established or recognized brand names. The advertisement was designed in black/white to negate the influence of color preferences. The slogan was translated into the local language in the survey instruments for Germany, France, Spain and Thailand. Prior to conducting the investigation, this advertisement underwent a pre-test to ensure that it was indeed perceived as portraying performance-oriented behavior. Figure 2 shows the English version of the advertisement. The current analysis is based on 698 subjects from the five countries (US 180, Germany 142, France 100, Spain 100, and Thailand 176). Participants were between 18 and 74 years of age, with an average age of 32.9 years. The male/female ratio of participants was 50:50. A structured questionnaire was developed. Respondents either filled out the questionnaire independently or, it was administered by trained interviewers. To ensure comparable interviewing situations in all countries, all interviewers received extensive training and were provided with standardized text to employ in approaching subjects. The majority of respondents completed the questionnaire independently, minimizing interviewer influence. Interviewers explained to subjects that the investigation dealt with consumer responses to advertising. Subjects were informed that participation was completely voluntary and that all responses would remain anonymous. A translation/back-translation procedure was applied in the development of the questionnaires. Bi-lingual speakers translated the questionnaires and different bi-lingual speakers back-translated the questionnaires.

### Variables

*Perceived level of performance orientation in the ad* was measured via four items. The items were derived from descriptions of performance-oriented behavior found in the literature (McClelland, 1967; Trompenaars, 1993; Javidan, 2004). Subjects were first asked to assess the individuals portrayed in the ad. The questions read: "The persons in the advertisement seem to me …" (1) "performance-oriented", (2) "concerned only with performance", (3) "success-oriented" and (4) "as if success were the most important thing in life" (7-point-scale, 7=high). A one-factor model for the performance orientation measure was used. The four items were factor analyzed using confirmatory factor analysis and results indicate a high fit of the model. Alpha values (Cronbach, 1951) in the five countries were between .832 and .889. Given the high

**FIGURE 1**
Proposed Conceptual Model
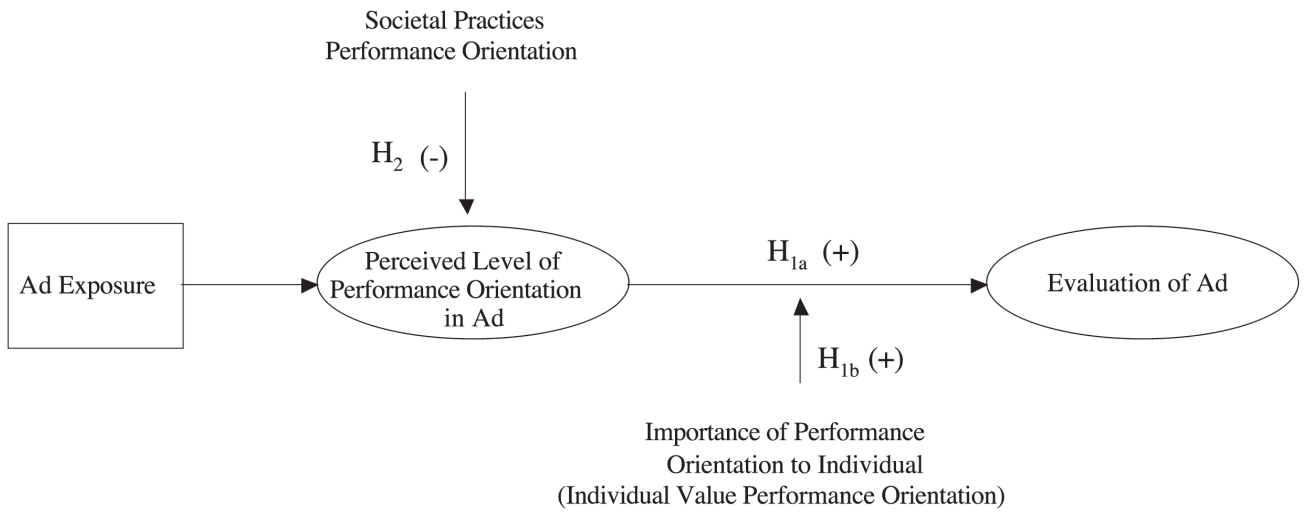


**FIGURE 2**
English Version of the Standardized Advertisement Incorporating a Performance-oriented Appeal

**TABLE 1**

Values and Practices of Performance Orientation, According to GLOBE and the Current Investigation

| | Country Mean | | | | |
| --- | --- | --- | --- | --- | --- |
| | Germany | France | Spain | US | Thailand |
| PO Societal Values GLOBE Study | 6.01[1] | 6.10[2] | 5.80 | 6.14 | 5.74 |
| PO Societal Values Current Study | 5.18 | 4.82 | 5.03 | 5.47 | 5.38 |
| PO Individual Values Current Study | 3.74 | 3.99 | 4.31 | 4.44 | 5.01 |
| PO Societal Practices GLOBE Study | 4.25[1] | 4.43[2] | 4.01 | 4.49 | 3.93 |
| PO Societal Practices Current Study | 4.15 | 3.86 | 4.00 | 4.95 | 5.00 |
| PO Individual Practices Current Study | 5.14 | 4.37 | 4.90 | 5.73 | 4.94 |

Note:
[1] Germany West
[2] Bias Corrected Value

internal consistency of the scale, based on the four items, mean values of the perceived level of performance orientation were computed for each country. Following the testing procedure proposed by Steenkamp and Baumgartner (1998), measurement invariance across the five countries regarding the perception of performance orientation in the ad is supported (full or partial configural, metric, scalar and factor-variance invariance). Meaningful comparisons of group means and of association measures can thus be carried out.

*Evaluation of the ad* was also measured via four items, adapted from MacKenzie and Lutz (1989). The questions read: (1) "Overall, I find the ad …" "not at all good" (=1) to "very good" (=7) (7-point-scale); "The ad is …" (2) "interesting", (3) "likeable" and (4) "pleasant" (7-point-scale, 7=high). Again, the items were analyzed using confirmatory factor analysis. Results showed a high fit of the model. Values of Cronbach's α in the five countries were between .898 and .920. Following the testing procedure proposed by Steenkamp and Baumgartner (1998), measurement invariance across the five countries regarding the evaluation of the ad is supported.

*Performance orientation* was conceptualized based on GLOBE. Scales were adjusted and extended for the current investigation. Participants were asked about their individual practices and values, as well as their societal practices and values. Questions for individual performance orientation practices read: (1) "I strive to continually improve my performance." (2) "To perform well in life is very important to me." (3) "'Performance is what counts' applies to me." (4) "I am performance-oriented." Questions for individual performance orientation values read: (1) "I should try harder to improve my performance." (2) "To perform well in life should be more important to me." (3) "Performance is what counts" should apply more strongly to me. (4) "I should be more performance-oriented." Questions for societal performance orientation practices read: "In country X people generally (1) "… strive to continually improve their performance." (2) "… reward those who strive for performance and innovation." (3) "… set challenging goals for themselves." (4) "… base rewards on effective performance." Questions for societal performance orientation values read: "In country X people should (1) "… strive to continually improve their performance." (2) "…more substantially reward those who strive to continually improve their performance." (3) "… set more challenging goals for themselves." (4) "…base rewards primarily on effective performance." Subjects were asked to indicate to what extent the statements were applicable on a seven-point scale. Alpha

Values in the five countries of the four subscales were all larger than .72. Given the high internal consistency of the subscales, mean values of the four subscales (individual value, individual practice, societal value, and societal practice) were computed. Table 1 displays GLOBE scores for societal values and practices for performance orientation as well as both individual and societal values and practices obtained from this investigation.

Societal values and practices of the current investigation match, in part, the country scores reported by GLOBE. Among the five countries, overall, the data on societal values and practices of the current study reveal that France and Spain lean toward lower performance orientation, Germany ranks in a middle, whereas the U.S. and Thailand score relatively high on societal performance orientation. When compared to the GLOBE scores, the most noticeable differences were found in the data on societal practices in Thailand. On an individual level, German and French subjects scored low on individual values, while once again, U.S. and Thai subjects, and even Spanish subjects, scored relatively high on individual values of performance orientation.

**RESULTS AND DISCUSSION**

Hypothesis H1a predicted that a higher perception of performance orientation in an ad would lead to a more positive evaluation of that ad. SEM estimations revealed that a higher perceived level of performance orientation in the ad indeed leads to a more positive evaluation of the ad for all countries. All standardized path coefficients were positive and significant (Table 2). Results Hypothesis H1a is thus confirmed by the data.

Hypothesis H1b addresses the strength of the relationship between perception of performance orientation in an advertisement and its evaluation. It was hypothesized that the influence of the level of perceived performance orientation in an advertisement on the evaluation of the advertisement will be stronger in those nations in which individuals place greater importance on performance orientation, compared with those nations in which individuals place less importance on performance orientation. As expected, multi-group structural equation modelling revealed that the influence of the perceived level of performance orientation on the evaluation of the advertisement is highest in Thailand, followed by Spain and the US and lowest in Germany and France. Multi-group structural equation modelling with Chi2-difference tests was used to analyze whether the relationship between variables differ significantly from one another in the five countries. Results indicate that the relationship

**TABLE 2**
Influence of Perceived Performance Orientation in Ad on Ad Evaluation

| Model | standardized path coefficient | $\chi^2$ | df | CFI | TLI | RMSEA |
|---|---|---|---|---|---|---|
| U.S. | .536*** | | | | | |
| Germany | .379*** | | | | | |
| France | .411*** | 273.3 | 95 | .95 | .93 | .05 |
| Spain | .493*** | | | | | |
| Thailand | .638*** | | | | | |

*** p<.01
Note: Estimation Maximum Likelihood

**FIGURE 3**
Individual Value of Performance Orientation and Strength of Impact of Perceived Performance Orientation on Ad Evaluation



Note:   *** = p < .01
        ** = Difference in slope significant at p < .05;   other slope differences not significant

GER = Germany
F    = France
SP   = Spain
US   = United States of America
THAI = Thailand
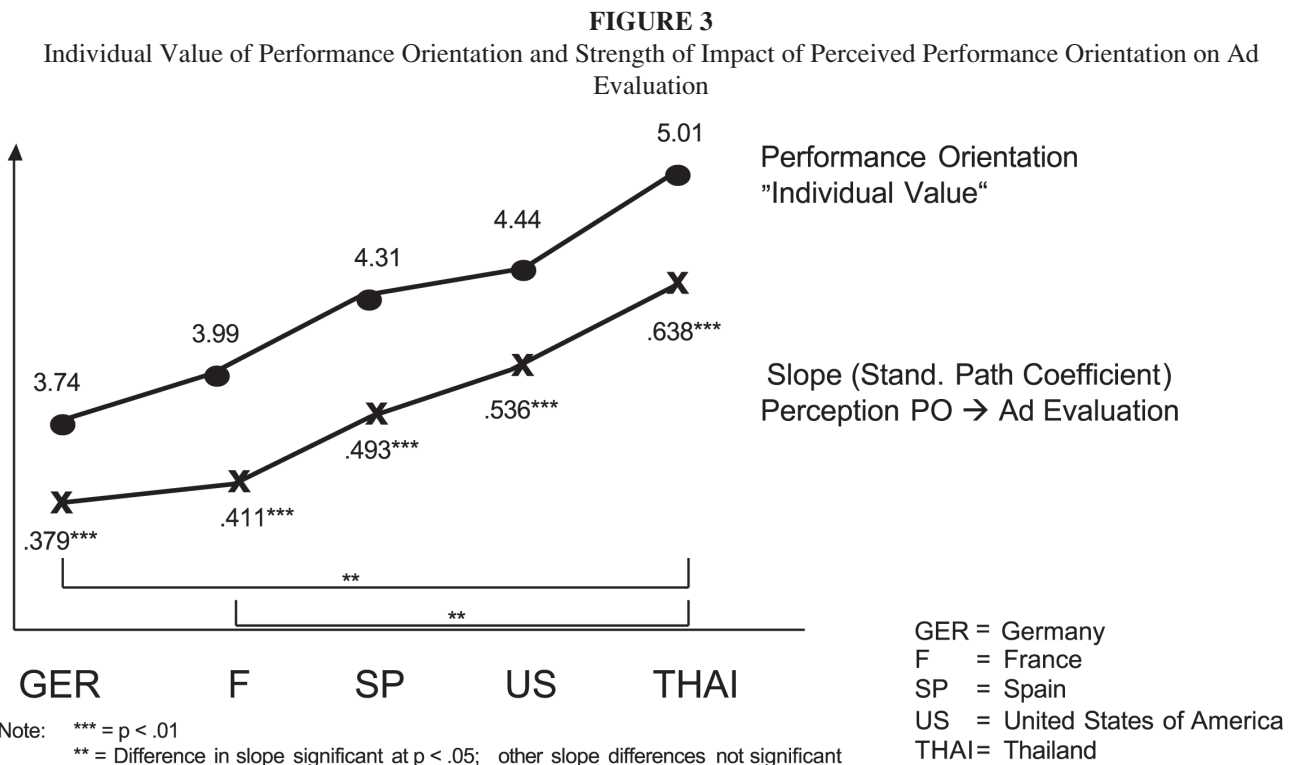
between the German and the French data set differs significantly from the dataset from Thailand, but that the relationship between the other datasets did not differ significantly. The rank order of the heights of path coefficients are as expected in the five countries, however, not all differences are significant. Thus, the results lend only partial support for hypothesis H1b. Figure 3 illustrates these findings.

Hypothesis H2 predicted, based on reference value theories, that subjects from nations with higher performance orientation scores will perceive lower levels of performance orientation in the advertisement, whereas subjects from nations with lower performance orientation scores will perceive higher levels of performance orientation in the ad. The study's country scores of societal practices suggest that Thailand and the U.S. are the nations with the highest level of performance orientation, whereas Germany, Spain, and in particular, France tend to have lower scores on societal

practices. Figure 4 shows that the perceived level of performance orientation in the ad indeed clearly differs between the five countries. In line with the stated hypotheses, U.S. subjects perceived the lowest level of performance orientation in the standardized ad, whereas the French, the Spanish and the German subjects perceived higher levels of performance orientation in the standardized ad. The results for Thailand, however, contradict our hypotheses. Thai subjects perceived a much higher level of performance orientation in the ad than was expected. While many Thai strive for higher performance and behave in a performance-oriented fashion, Thai society appears not to have caught up with this shift. One reason may be that as an emerging East Asian market (Aglionby, 2006), Thailand has only recently experienced a substantial economic success. Despite strong economic growth in 2006, and projected real GDP growth of 5% for 2007-2008 (EIU ViewsWire, 2007), Thailand still lags far behind the other four nations with regard to

**FIGURE 4**
Societal Performance Orientation Practices and Perceived Level of PO in Ad



*Perceived Level of Performance Orientation in Ad*

5.41  5.20  5.02  4.95  5.31

4.90  5.00

Societal Performance Orientation
„Practices"

4.15
4.00
3.86

F    SP   GER   US   THAI

GER = Germany
F    = France
SP   = Spain
US   = United States of America
THAI = Thailand
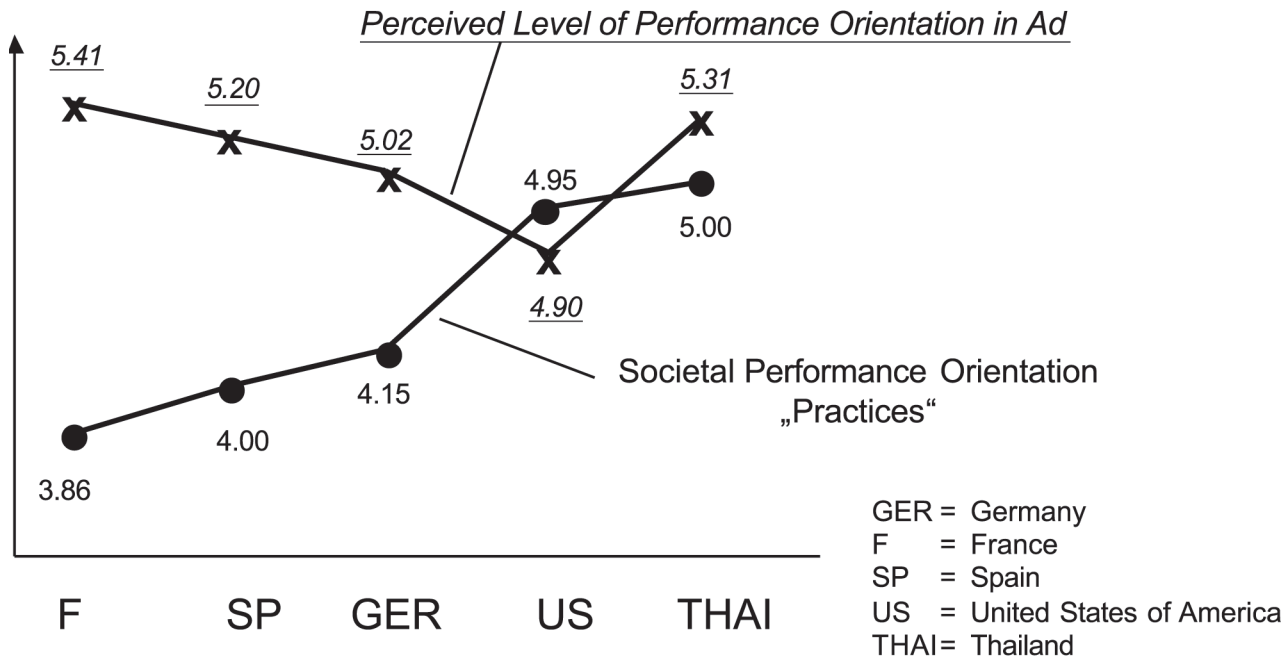
numerous economic indicators, e.g., gross national income per capita (in US $, 2005, cf. World Bank): Thailand 2,750 versus US 43,740; France 34,810; Germany 34,580; and Spain 25,360). Thus, while Thai citizens value performance orientation, this cultural dimension is not yet omnipresent in Thai society.

Bonferroni tests revealed that differences between the U.S. and France, as well as between the U.S. and Thailand are significant (all p<.05). Though the differences in the perception of performance orientation in the ad are not significant between the subjects from Germany, Spain and France, the rankings are as expected.

These results suggest that an identical, i.e. standardized, ad is perceived differently in terms of the level of performance orientation reflected in the ad, dependent upon the subjects' country of origin and the level of performance orientation in those cultures (Figure 4). To summarize, the results lend partial support for hypothesis H2.

## SELECTED IMPLICATIONS

Overall, the proposed conceptual model was supported by the data. The results of this investigation suggest that, by incorporating a performance-oriented appeal in commercial messages, advertisers can positively influence the evaluation of those messages. As hypothesized, data revealed a significant relationship between the perceived level of performance orientation in an ad and the overall evaluation of the ad. This proved to be true for every country. Because performance orientation is a positively held value in many countries, it can therefore be seen as an appeal type suitable for cross-cultural standardized advertising campaigns. Results also revealed that, overall, a higher individual value of performance orientation increases the strength of the impact of perception of performance orientation and ad evaluation.

Results of this investigation suggest that a given, standardized ad incorporating a performance-oriented appeal may well be perceived quite differently in various markets. An important finding of

this study is that it is not consumers from the country with the highest performance orientation scores who perceived the highest level of performance orientation in a standardized advertisement. Instead, data suggest that countries with higher performance orientation in terms of societal practices perceive lower levels of performance orientation in the ad and vice versa. Advertisers employing a standardized approach in their international efforts must be aware that an ad incorporating performance-oriented appeals may well be perceived differently from one country to the next, dependent upon the role that performance orientation plays in that particular market. This also means that advertisers attempting to achieve a specific level of performance orientation in their campaigns will likely need to adapt the ads to various countries. For instance, if the general marketing strategy is to position a given brand with a performance oriented appeal, the execution in different countries will need to be adapted with regard to content and design of the commercial message. According to this investigation, in performance-oriented countries, stronger performance orientation cues may be needed if consumers are to perceive the ads as performance oriented in nature. In less performance-oriented countries, weaker cues may be sufficient to obtain the same level of perceived performance orientation.

Overall, the GLOBE framework has proven useful in this investigation. It guided the development of assumptions regarding the perceived level of performance orientation to be expected by consumers exposed to advertisements in the different countries. However, it is advisable researchers replicate cultural dimensions to be analyzed in future investigations. In assessing performance orientation in this investigation, based on GLOBE measures, major differences were found in societal practices in Thailand. While GLOBE reported relatively low scores of societal practices of performance orientation, the current study revealed relatively high values on that dimension. It appears that while many Thai strive for higher performance and behave in a performance-oriented fashion, performance orientation is not yet omnipresent in Thai society. This

might be explained by the fact that Thailand has only recently experienced a substantial economic success. This discrepancy in the results for Thailand need not be perceived as a weakness in the GLOBE data, but rather it underscores the importance of replicating the cultural dimensions in question for each specific country to be investigated.

## LIMITATIONS

There are several limitations to the above reported findings. Future examinations of performance orientation should include countries that differ even more significantly in their performance orientation scores, per the GLOBE data, than the five countries analyzed in this investigation. Performance orientation should be analyzed in the context of advertisements for additional product categories, as well as for services.

Further, in addition to the dimension of performance orientation, the GLOBE framework offers a number of other dimensions worthy of examination. For instance, humane orientation, future orientation, and gender egalitarianism may all prove fruitful. It would be of interest to explore whether the conceptual model proposed in this paper is applicable to the other GLOBE dimensions. Another particularly interesting question was not addressed in this investigation. It might well be that an overly strong performance-oriented appeal could negatively impact evaluation of an advertisement. The question arises whether there might be a threshold beyond which the positive influence of performance orientation on the evaluation of an advertisement turns into a negative influence. Future investigations may wish to examine whether this threshold can be identified, and how it differs between nations.

A final limitation addresses the general applicability of the GLOBE data reported by House et al. (2004). In some cases, the country scores of the current study differed from those reported by GLOBE. Additional empirical evidence on the validity and reliability of the GLOBE data on cultural dimensions would be of value.

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# Unsuccessful Purchase Experiences and Future Consumer Decisions: Effects of Initial Goal Setting Processes and Counterfactual Thoughts

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## ABSTRACT

It is hypothesized that a failure experience in the initial goal pursuit task might increase preparation for a subsequent future task and that the effect is moderated by the goal setting processes during the initial task. The results of two laboratory experiments support these predictions. In addition, the effect is mediated by the amount of upward (vs. downward) counterfactual thoughts generated in response to the failure. Finally, the effect is quite independent of the level of affect that participants experience after the failure.

## INTRODUCTION

When people experience a failure in their goal pursuit, they tend to imagine better or worse consequences that differ from the outcomes that have actually occurred. These imaginary thoughts, which are called *counterfactual thinking* (CFT), influence affect or feeling people experience after the failure. That is, people may feel better, if they mentally simulate even worse alternative outcomes that might also have happened (i.e., downward CFT), whereas they may feel even worse if they consider better outcomes that might also have occurred (i.e., upward CFT). The affective function has received extensive empirical support in the literature (e.g., Roese 1997 for a review).

Counterfactual thinking may provide another important function for individuals, namely a preparatory function, which is the central focus of the present research. That is, counterfactual thinking may provide preparatory functions such that upward CFT may stimulate people to prepare for the future. Further, the literature suggests that this function is likely to occur at the expense of immediate feelings of dissatisfaction. Thus, there might be a trade-off between the two functions. Nonetheless, little research on the relationship between CFT and preparation for future and on the factors governing the relationship has been conducted. The purpose of the present research is to investigate this matter. Specifically, over two experiments we demonstrate that initial goal setting processes determine the direction of counterfactual thinking in response to a goal failure, which in turn, influences the level of preparation for the future. Further, this effect occurs both in an anagram solving situation (experiment 1) and in a consumer purchase decision situation (experiment 2). In addition, the effect is shown to be mediated by the relative magnitude of upward versus downward CFT in response to a goal failure. Finally, the effect was quite independent of the level of affect that participants experienced after the failure.

## THEORETICAL BACKGROUND

### Counterfactuals, Affect, and Preparation

Counterfactual thinking (CFT) refers to mental simulations of alternative outcomes that might have occurred in response to the actual outcomes. Counterfactuals are typically in the form of conditional propositions, embracing both antecedents (e.g., "if-only") and consequents (e.g., "might have been"). Once in mind, these counterfactual thoughts influence a wide range of judgments and affective reactions, including self-inferences, regret, and happiness (Roese 1997 for a review).

Counterfactual thoughts may have an affective function (i.e., making people feel better) and a preparative function (i.e., making people better prepared for the future), for which the direction of CFT plays an important role. That is, a downward CFT (i.e., thoughts about alternative outcomes that are worse than actuality) rather than an upward CFT (i.e., thoughts about alternative outcomes that are better than actuality) is likely to produce an affective function, whereas the preparative function may be well served by upward rather than downward counterfactuals. For example, Roese (1994) manipulated the direction of counterfactuals that participants generated after recalling a negative episode in life. Participants who were asked to generate downward counterfactuals subsequently reported more positive affect than those asked to generate upward counterfactuals. However, the upward CFT participants showed more preparative intentions for a future episode than the downward CFT participants. These suggest that upward counterfactuals may prepare a person for the future at the expense of immediate feelings of dissatisfaction, whereas downward counterfactuals may enhance satisfaction at the expense of leaving a person unprepared for the future. Further, this trade-off has been advocated by other researchers (e.g., Boninger, Gleicher, and Strathman 1994; Markman et al. 1993).

### Goal Setting Processes, Counterfactuals, and Preparation

The existing literature has identified various factors that might determine the direction of counterfactual thinking (upward vs. downward). For example, the nature of the past outcome (e.g., failure vs. success; Markman et al. 1993), the mutability of past outcomes (e.g., Gilovich and Medvec 1994), individual differences (e.g., prevention vs. promotion focus in self regulation: Roese and Hur 1997), and contextual factors (e.g., priming of enjoyment vs. performance: Sanna, Meier, and Wegner 2001) were shown to influence the direction of counterfactuals.

Little attention has been directed to goal setting processes as a potential determinant of the direction of counterfactual thinking (except for Burrus and Roese 2006). According to the goal setting literature (e.g., Oettingen 2000, Oettingen, Pak, and Schnetter 2001) and the construal level theories (e.g., Burrus and Roese 2006), goal setting routes can vary in terms of how extensively people engage in higher construal level ('why') versus lower construal level ('how') features of a goal. The construal level theory (Trope and Liberman 2003) posits that the same object can be represented at multiple construal levels. Similarly the goal setting procedure can consider either *why* (i.e., the benefits of attaining a goal: high level construal) or *how* (i.e., ease or difficulty of achieving a goal: low level construal). The *why-only* route to goal setting concentrates on the positive consequence of goal attainment. For example, during the setting of a goal of losing weight, people may solely fantasize about better-looking appearance after a successful weight loss. In contrast, the *how-only* route is based on mere reflections on difficulties that must be overcome to attain a goal. Thus, people may focus primarily on the difficulty of performing daily exercise and keeping low-calorie diet program during setting a goal of losing weight.

Burrus and Roese (2006) examined the influence of the construal level of the goal setting on counterfactual judgment (i.e., the extent to which personal actions change the goal). They found insignificant (study 1) or marginally significant (study 2) difference in counterfactual judgment between the participants who concentrated on the thoughts related to why they should have achieved a goal and the participants who listed how they have achieved a goal. The results imply that the extent to which people generate counterfactual thoughts is not strongly influenced by whether the goal setting is done at a higher construal level or at a lower construal level.

However, the literature on the goal setting procedure presents a third way of setting a goal (Oettingen et al. 2001). The third, *balanced* route to goal setting rests on simultaneous consideration of high and low construal levels of goal attainment. In this case, people might consider both better-looking appearance and difficulty of keeping low-calorie diet. Considering both construal levels tends to strengthen goal commitment when the goal is perceived to be attainable since mental contrasting transforms the higher level features into something to be achieved and the lower level features into something to be done (Oettingen 2000; Oettingen et al. 2001). As a result, the increased level of goal commitment might serve as a basis for generating counterfactuals after experiencing a failure in goal pursuit.

Based on this, we contend that goal setting processes should influence counterfactual thinking in response to a failure of goal pursuit, thereby affecting the level of preparation for the future. Specifically, we expect that after experiencing a failure, one is more likely to generate upward counterfactual thinking when both the high and low construal level features of a goal are simultaneously considered (i.e., 'balanced' goal setting) rather than when one considers only either high or low construal level features of goal attainment. Since the literature suggests that upward CFT leads to a higher level of future preparation (e.g., Roese 1997), we further expected that the balanced goal setting processes would lead to a higher level of preparation for the future than either why-only or how-only goal setting processes. These hypotheses were tested and confirmed in anagram solving task situation (experiment 1) and in an online shopping task situation (experiment 2).

## EXPERIMENT 1

Experiment 1 tests the effect of the goal setting type on future preparation after experiencing a failure to achieve a goal. We hypothesize that the levels of counterfactual thinking and preparation are higher when one considers both why and how rather than only one feature. Another goal of experiment 1 is to test the mediating role of upward (vs. downward) counterfactual thinking in the effect of goal setting type on preparation. To do so, two types of instructions for CFT generation (unrestricted CFT vs. restricted CFT) were employed crossed over the goal-setting conditions (why-only vs. how-only vs. balanced). Participants were either allowed to freely imagine and write down counterfactual thoughts that came to mind (i.e., unrestricted CFT) or asked to imagine and write down only one CFT (i.e., restricted CFT). If the effect of goal setting processes on future preparation is mediated by their influence on the relative magnitude of upward (vs. downward) CFT, as hypothesized, the influence of the goal setting type on the future preparation will be significantly greater for the balanced condition than the other conditions in the unrestricted-CFT conditions, but the effects will be eliminated in the restricted-CFT conditions. These predictions were tested in a situation in which participants in three goal setting processes set initial goals, solved anagrams as a target task, and received negative feedback about their performance.

## Method

*Participants and Design.* A total of 156 undergraduate students from a large university participated in the experiment. They received a pen as a gift for participation. Participants were randomly assigned to each combination of 3 (goal setting type: why-only vs. how-only vs. balanced) x 2 (CFT generation: unrestricted vs. restricted CFT) conditions.

*Stimuli and Procedure.* The experiment was conducted in classrooms. Upon arrival, participants were told that they would participate in an anagram test and that if they solved seven or more out of 10 anagrams, they would receive a prize valued at about $10. Then, they were given a booklet which contained instructions and anagrams. The cover page presented a brief overview of the study. The second page presented sample anagram tests. The manipulation of the type of goal setting process was achieved on the third page. Participants in the why-only conditions were first asked to imagine and write down the positive consequences of winning $10 by solving at least seven anagrams. Participants in the how-only conditions were asked to write down difficulties and obstacles to overcome to attain the cash prize. In the balanced conditions, participates were instructed to write down both benefits and costs of attaining the goal. The thoughts written down by the participants in each condition were later classified into why-related and how-related thoughts, and served as a manipulation check for the goal setting processes.

The test anagrams were presented on the next page. Participants were presented with ten moderately difficult anagrams: FARCS (scarf), WOMNA (woman), RACMAIE (America), RCNOTEC (concert), ARESMEU (measure), EOPYALM (Maypole), UPRETTM (trumpet), TLPHSOAI (hospital), TORVALEE (elevator), and TMGRNAIKE (marketing). Participants were allowed to take as much time as they wanted to solve the anagrams, but actually took no longer than 15 minutes. This task was followed by a short break during which participants' correct answers were counted. Then, when the session resumed, participants were informed their anagram test scores. No one solved more than six anagrams correctly (average anagram solved=2.28, *SD*=1.42) and there was no significant influence of experimental variables on the number of correct answers (*p*'s>.10). Thus, all participants were informed that they had failed to correctly solve at least seven anagrams.

Then, participants were asked to open the second booklet that included measures for counterfactual thinking, affect, and preparation. First, counterfactual thinking in response to the negative feedback was measured by asking participants to write down their current thoughts and feelings about the anagram test in an "if—then" format. In the restricted CFT conditions, the participants were asked to imagine and write down only one counterfactual thought that came to mind, whereas there was no restriction on the number of listed thoughts in the unrestricted CFT conditions. These thoughts were later classified into upward CFT and downward CFT. After this, the affect that participants experienced after the feedback was assessed along four 9-point scales (1=strongly disagree, 9=strongly agree) that captured satisfaction, happiness, sadness, and gloominess. The four ratings were averaged to form a composite index of affect (α=.87). Finally, participants' future preparation was assessed by asking participants to indicate their agreement with two statements along scales ranging from 1 (strongly disagree) to 9 (strongly agree): "I am willing to participate in the next anagram test" and "I am ready to participate in another anagram test." These ratings were averaged to form a composite index of future preparation (α=.94). After completing the measures, participants were debriefed and dismissed.

**TABLE 1**
Results: Experiment 1

| | Unrestricted CFT | | | Restricted CFT | | |
|---|---|---|---|---|---|---|
| | Why-only (*n*=24) | How-only (*n*=25) | Balanced (*n*=27) | Why-only (*n*=27) | How-only (*n*=27) | Balanced (*n*=26) |
| CFT | | | | | | |
| Upward CFT (1) | 1.88 | 1.16 | 3.15 | 0.96 | 1.00 | 1.00 |
| Downward CFT (2) | 0.08 | 0.04 | 0.07 | 0.04 | 0.00 | 0.00 |
| Difference: (1)–(2) | 1.79 | 1.12 | 3.07 | 0.93 | 1.00 | 1.00 |
| Preparation | 5.00 | 4.36 | 6.00 | 4.89 | 4.54 | 4.64 |
| Affect | 2.32 | 2.61 | 2.69 | 2.51 | 2.61 | 2.60 |

**Results**

*Manipulation Checks.* To check if the manipulation of goal setting process (why-only vs. how-only vs. balanced) was successful, the thoughts that participants had generated during the goal setting stage were classified into why-related thoughts (i.e., thought related to the benefits of attaining the goal) and how-related thoughts (i.e., things to do to achieve the goal) by two independent judges (inter-judge reliability=.88). Then, the frequency of these thoughts were analyzed by a 3 (goal setting type) x 2 (CFT generation) x 2 (type of goal-related thoughts: benefit vs. cost) mixed ANOVA. As expected, participants generated more why-related thoughts than how-related thoughts in why-only conditions (*M*=2.72 vs. *M*=0.63), fewer why-related thoughts than how-related thoughts in how-only conditions (*M*=0.70 vs. *M*=2.15), and both thoughts quite equally in the balanced condition (*M*=1.69 vs. *M*=1.48). These results indicate that the experimental variables were successfully manipulated.

*Counterfactual Thinking.* We predicted that the direction of counterfactual thinking (i.e., upward vs. downward CFT) would be affected by the process through which one initially sets a goal. To test this prediction, two independent judges coded counterfactual thoughts into upward CFT if the thoughts mentioned imagined outcomes that were better than what had actually happened, and into downward CFT if they were about worse outcomes than what had actually occurred (inter-judge reliability=.89). Disagreements between the two judges were resolved through discussion.

Table 1 shows the numbers of upward CFT and downward CFT and the difference between the two scores as a function of goal setting conditions and CFT generation. Overall, participants generated more upward CFT than downward CFT (96% vs. 4% of 164 CFT in the unrestricted CFT condition). This is consistent with the existing research suggesting that people tend to generate upward CFT than downward CFT when they experience a negative outcome (e.g., Sanna 1997).

Our prediction was tested by a 3 (goal setting type) x 2 (CFT generation) ANOVA on the relative magnitude of upward and downward CFT generated after the negative feedback. In the unrestricted CFT conditions, a larger number of upward CFT (vs. downward CFT) was generated in the balanced conditions (*M*=3.07) than either in the why-only conditions (*M*=1.79; $F(1, 150)$=32.38, $p$<.01) or in the how-only conditions (*M*=1.12; $F(1, 150)$=72.72, $p$<.01). The difference in the latter two conditions was also significant ($F(1, 150)$=8.90, $p$<.01). Under the restricted CFT conditions, however, the difference between the upward and downward CFT was virtually identical over goal setting conditions ($F$<1.0). This pattern was confirmed by a significant interaction of goal setting

and CFT generation on the relative magnitude of upward versus downward CFT ($F(2, 150)$=55.06, $p$<01).

*Preparation.* It was hypothesized that the level of preparation would be higher in the balanced conditions than in the why-only or how-only conditions, when participants were allowed to freely generate CFT, but that the effect would be eliminated if participants were restricted to generate only one CFT. This prediction was confirmed by an analysis of preparation ratings as a function of goal setting and CFT-generation. As shown in table 1, when CFT generation was restricted, the preparation level did not significantly vary over the three goal setting conditions ($F$<1.0). When CFT was freely generated, however, the level of preparation was higher in the balanced condition (*M*=6.00) than in the why-only condition (*M*=5.00; $F(1, 150)$=6.54, $p$<.05) or in the how-only condition (*M*=4.36; $F(1, 150)$=18.66, $p$<.01). The latter two conditions did not significantly differ from each other ($F(1, 150)$=2.78, $p$>.10). This pattern was confirmed by a significant interaction effect in an omnibus ANOVA test ($F(2, 150)$=4.72, $p$<.05).

*Mediating Role of CFT.* The mediating role of CFT in the effect of goal setting on preparation was further tested in the unrestricted CFT conditions using the procedure suggested by Baron and Kenny (1986). Goal setting processes significantly influenced both the level of future preparation ($F(2, 73)$=13.66, $p$<.01) and the relative magnitude of upward CFT (vs. downward CFT) generated after the negative feedback ($F(2, 73)$=13.66, $p$ <.01). To examine the mediating role of CFT between goal setting and preparation, an ANCOVA was conducted with the relative magnitude of upward versus downward CFT being a covariate. The effect of goal setting on preparation, which was originally significant ($F$=13.66), was substantially reduced to only a marginal significance when the relative magnitude of CFT was co-varied ($F(2, 72)$=2.69, $p$=.08). These results indicated that the effect of goal setting processes on preparation was mediated by their influence on the relative magnitude of upward (vs. downward) CFT, as hypothesized.

*Affect.* The affect that participants experienced upon receiving the failure feedback was also analyzed as a function of the goal setting conditions. A two-way ANOVA on the affect yielded a marginally significant effect of the goal setting type ($F(2, 150)$=2.86, $p$<.10). Planned contrasts indicated that affect in the why-only conditions (*M*=2.42) was less positive than either in the how-only conditions (*M*=2.67; $F(1, 150)$=4.65, $p$<.05) or in the balanced conditions (*M*=2.65; $F(1, 150)$=3.95, $p$ <.05), with the difference between the latter two conditions being insignificant ($F$<1.0). The main effect of CFT generation and its interaction with goal setting type were not significant ($F$'s<1.0). Thus, a negative relationship

between affect and preparation was not supported since the pattern of the effect of goal setting on affect was inconsistent with the effect on preparation.

## Discussion

The results from experiment 1 were generally consistent with our proposition that the balanced goal setting process, compared to either why-only or how-only processes, would lead to a higher level of preparation for the future, and that the effect would be accounted for by the mediating role of the CFT relative magnitude of upward CFT. In addition, the increased preparation set for the future in the balanced conditions was *not* at the expense of immediate feelings of dissatisfaction, contrary to the previous research. The next experiment attempted to find evidence showing the influence of goal setting on CFT and preparation in an online shopping context.

## EXPERIMENT 2

Experiment 2 was conducted to replicate the results from experiment 1 in a consumer behavior domain. Participants in the experiment were invited to a computer-simulated online shopping for an MP3 player, in which they were led to experience an unsuccessful purchase episode, and then asked to indicate the level of preparation for a next online shopping. As in the previous Experiment, the initial goal setting process was experimentally manipulated, and its impact on CFT, affect, and preparation was investigated.

## Method

*Participants and Design.* A total of 90 undergraduate students from a large university participated in the experiment for extra course credit. Participants were randomly assigned to one of the three goal-setting conditions (why-only vs. how-only vs. balanced), as explained below.

*Stimuli and Procedure.* We simulated an online shopping episode in which participants were asked to make a purchase decision for an MP3 player after browsing product information at online stores. The experiment was conducted in a computer lab. Several sessions of 10 to 15 participants were run. Upon arrival, participants were seated in front of a PC, which was programmed to display instructions, stimuli, and questions on the screen. Participants moved to a next screen by clicking their mouse when they finished the current screen page. However, the experimenter controlled the pace of this proceeding by asking participants to click the mouse to move to the next screen only after all participants finished the task on the current screen page

The first screen displayed an overview of the study. Participants were informed that the study intended to explore consumers' online shopping behavior. The second screen displayed some key attributes to consider when purchasing an MP3 player (e.g., easy to carry, file storage, etc.) and benefits of online shopping. With this preamble, the next screen manipulated the type of goal setting processes. First, all participants were given the same goal of purchasing an MP3 player online at a good price. However, they were asked to first consider either only higher or lower construal level features of the goal or both, depending on the assigned experimental conditions. Specifically, participants in the why-only condition were asked to imagine and type in positive consequences of successfully purchasing an MP3 player at an online store (e.g., "good quality product at a less expensive price"). Participants in the how-only condition were asked to consider the obstacles and difficulties in purchasing an MP3 player online (e.g., "too many products to compare across online stores"). In the balanced condition, participants were asked to imagine both benefits and costs of successful online shopping.

After this, participants were given a task of searching product information online to select the MP3 player model to purchase and provided with nine online shopping store names on a screen. A click on a particular store name popped up a window for the online shopping mall carrying a variety of products including MP3 players. Participants were allowed to browse stores on the list at their own pace and to stop search whenever they wished. They completed the shopping task by clicking an icon for the selected MP3 player.

All listed stores except for the one named "Happy Dream Mall" were hyperlinked to corresponding websites such that clicking a name led participants to the shopping mall website. However, Happy Dream Mall was a hypothetical one that was created for the experiment. Thus, the computer screen displayed a sign of "connecting…" indefinitely when participants clicked the name. This was necessary to operationalize a negative feedback on the shopping task, as explained shortly.

*Negative Feedback.* After completing the search and making a purchase decision for the MP3 model, participants were then asked to move to the next screen on which a post-purchase scenario was presented. Specifically, participants were instructed to imagine that they had received the MP3 player model that they had ordered. In addition, they were told that the same model was on sale in "Happy Dream Mall" and that the price was the lowest among the all shopping malls. This information was deemed effective in eliciting participants' counterfactual thinking, "I should have waited longer until the website was accessed..."

*Dependent Measures.* The next two screens asked participants to write down their counterfactual thoughts upon receiving the negative feedback on an empty sheet separately provided by the experimenter, and measured participants' level of affect along the same scales as employed in experiment 1. After this, participants' preparation level for the next online shopping was assessed on two 9-point scales that measured their willingness and readiness to shop online again ($\alpha$=.72). Finally, participants were debriefed, thanked, and dismissed.

## Results

*Manipulation Checks.* The manipulation of goal setting processes was successful. An analysis of thoughts generated during the goal setting stage indicated that participants in the why-only conditions generated more why-related thoughts than how-related thoughts (*M*=5.20 vs. *M*=.10), whereas the reverse was true in the how-only condition (*M*=.25 vs. *M*=4.89). In the balanced condition, however, participants generated both types of thoughts quite equally (*M*=3.04 vs. *M*=2.64). This pattern was confirmed by a significant two-way interaction of goal setting processes (why-only vs. how-only vs. balanced) and type of thoughts ($F(2, 83)=92.54, p<.01$), as expected.

*Counterfactual Thinking.* Participants generated more upward (vs. downward) CFT in the balanced conditions (*M*=2.75) than either in the why-only conditions (*M*=1.93; $F(1, 83)=11.37, p<.01$) or in the how-only conditions (*M*=1.04; $F(1, 83)=49.09, p<.01$), as expected (table 2). The difference between the latter two conditions was also significant ($F(1, 83)=13.71, p<.01$). This pattern was confirmed by the significant main effect of goal setting conditions in an omnibus ANOVA ($F(2, 83)=27.53, p<.01$).

*Preparation.* The extent to which participants felt prepared for a future online shopping was analyzed as a function of goal setting conditions (Table 2). As expected, the overall effect of goal setting was significant ($F(2, 83)=12.73, p<.01$). The preparation level was significantly higher in the balanced condition (*M*=6.30) than either in the why-only condition (*M*=5.15; $F(1, 83)=16.26, p<.01$) or in the how-only condition (*M*=4.95; $F(1, 83)=20.54, p<.01$). The

## TABLE 2
### Results: Experiment 2

| | Why-only (n=30) | How-only (n=28) | Balanced (n=28) |
|---|---|---|---|
| CFT | | | |
| Upward CFT (1) | 2.40 | 1.39 | 2.86 |
| Downward CFT (2) | 0.47 | 0.36 | 0.11 |
| Difference: (1)–(2) | 1.93 | 1.04 | 2.75 |
| Preparation | 5.15 | 4.95 | 6.30 |
| Affect | 2.33 | 2.96 | 2.60 |

latter two conditions did not differ significantly ($F<1.0$). These results replicated the findings of experiment 1 and confirmed our hypothesis.

*Mediating Role of CFT.* As shown earlier, goal setting processes significantly influenced both future preparation ($F(2, 83)=12.73$, $p<.01$) and the relative magnitude of upward CFT ($F(2, 83)=27.53$, $p<.01$). The results of an ANCOVA with the magnitude of upward (vs. downward) CFG as a covariate indicated that the effect of goal setting on preparation, which was originally significant ($F=12.73$), was reduced but still remained significant ($F(2, 82)=10.44$, $p<.01$). Therefore, the mediating role of CFT was not confirmed in experiment 2.

*Affect.* Not surprisingly, participants felt quite unhappy ($M=2.62$) when they received the negative feedback. This unhappiness did not significantly vary over the goal setting conditions ($F(2, 83)=2.26$, $p>.10$).

## GENERAL DISCUSSION

This research extends Burrus and Roese (2006), who found insignificant or weak influence of the construal level (high vs. low) of goal setting on counterfactual thinking, and examines how counterfactual thoughts and the preparation level for the future after experiencing a failure in goal pursuit is affected by the process through which one initially sets a goal. The results of the present research provides strong support for our prediction that consideration of both positive consequences and difficulties of attaining a goal during the goal setting, compared to consideration of only one, leads to better preparation for the future after experiencing a failure in the current goal pursuit. The results of two experiments consistently demonstrated that goal setting processes significantly influenced both preparation level and the relative magnitude of upward versus downward of CFT in the hypothesized direction. Further, this effect was true regardless of whether the task involved an anagram solving (experiments 1) or a consumer decision (experiment 2).

The present research also identifies these effects. That is, the mediating role of upward versus downward counterfactual thinking was confirmed by covariance analyses showing that the effect was reduced to non-significance when the relative number of upward versus downward CFT was co-varied in experiments 1. This mediation was further confirmed when the extent to which counterfactual thinking was experimentally manipulated. That is, experiment 1 has shown that the effect of goal setting processes on preparations was substantial when the generation of CFT was freely allowed, but eliminated if it is experimentally restricted. These results seem to provide strong support for the mediating role of CFT.

The existing literature suggests that upward counterfactuals may prepare a person for the future at the expense of immediate feelings of dissatisfaction, whereas downward counterfactuals may enhance satisfaction at the expense of leaving a person unprepared for the future (e.g., Boninger et al. 1994; Markman et al. 1993). Our results suggest that such a trade-off is not always the case. That is, our goal setting manipulation had a significant effect on participants' upward CFT after experiencing a failure, which in turn influenced the level of future preparation. However, the manipulation had no effect on the level of affect participants experienced after the failure. This seems consistent with previous research that demonstrated self-efficacy as moderator of the affective consequences of upward and downward counterfactual thinking (Sanna 1997). Thus, counterfactual direction may not be so closely linked to affect.

Studies on regulatory focus in self regulation often experimentally manipulate the regulatory focus variably by asking participants in the promotion focus conditions to consider things that they want to happen and how to achieve them, but those in the prevention focus conditions to consider how to avoid things that they do not want to happen in their lives (e.g., Liberman et al. 2001). To reiterate, we manipulated the initial goal setting processes by varying focus of consideration during the goal setting stage (i.e., focusing on positive consequences, difficulties and obstacles, vs. both). Thus, this procedure can be seen as somewhat analogous to that of regulatory focus manipulation. To this extent, one may explain the differences we observed in preparations among goal setting conditions in terms of differences in regulatory focus. This explanation can not be entirely dismissed because we didn't measure participants' level of regulatory focus. However, it is unlikely to be the case for at least for two reasons. First, if this explanation is valid, one should expect the highest preparation level in the why-only conditions. However, our results consistently showed the highest level in the balanced conditions, not in the why-only conditions. Second, the alternative explanation is based on research suggesting that promotion focused individuals tend to generate upward CFT than prevention focused individuals (e.g., Roese and Hur 1999). However, our results indicate that the relative magnitude of upward (vs. downward) CFT was largest in the balanced, not in the why-only conditions.

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# Effect of Goal Salience and Goal Conflict on Typicality: The Case of "Health Food"

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## ABSTRACT

The aim of this article is to highlight the role of consumer's goals, in this case the "health" goal, in the cognitive representations and perception of food products, in particular "health foods." On the basis of the goal theories used in a categorical approach in information processing, we show that the salience of health goals has a significant influence on the perceived typicality of the products in the health food category. The consumption context and the overall hierarchy of the goals sought constitute moderating variables.

## INTRODUCTION

For several years, following a trend already seen in North America and Japan, "health" argument has provided an opportunity to develop products on the French food market. The increasing number of product launches claiming to be "healthy" illustrates consumers' interest in "alicaments" (medicated foods) and a growing awareness of better nutrition. Treating the question of diet as an integral part of a general public health policy, awareness campaigns are undertaken by the authorities to promote among the consumers products with high nutritional value. Whether it is a matter of individual worries (as a result of food safety crisis) or firms' marketing concerns, the socio-economic context thus appears to favour products with a strong health image. However, faced with the profusion of supply on the one hand, and the diversity of consumers' expectations on the other (health, pleasure, well-being, ethics, ecological concerns etc.), consumer's choice is becoming more and more complex. The increasing number of views on nutrition provided by media, the medical profession and authorities reinforce this trend, while messages concerning products "health" value are often contradictory.

Therefore, it is worth examining how the consumer perceives "health foods" according to his own motivations and personal expectations. We should therefore pay particular attention to personal goals as individual determinants of food choices linked with health. The interest in goals is justified not only by their cognitive dimension directed towards action, but also by their motivational and affective content whose role is supported by theoretical models of health behaviour (Self-Regulation Models of Carver & Scheier, 1982; Cognitive Social Theory of Bandura, 2004).

In this article, we are concerned with the role of goals in mental representations and in the organization of information about products (specifically health foods) in a category-based framework of information processing. We propose therefore to define the mechanisms whereby personal goals (i.e. health goals) affect products' perception within cognitive categories called "goal-derived categories" (Barsalou, 1983, 1991) depending on goals organization and on goal salience. We will use the concept of typicality as a key construct in categorization theory. Our purpose is to show that, in the "health food" category:

– the perception of product typicality is significantly influenced by health goals salience and by other competing goals pursued by the consumer,
– the influence of health goals salience on product typicality varies according to the consumption context (Figure 1).

Goal theories will be explored in order to highlight the hierarchical organization of goals in memory and their instrumental links with concrete products and behaviour. Within the theoretical accounts of categorization, typicality concept will be used in order to introduce health goals salience as an antecedent of typicality in the health food category (defined as a goal-derived category).

The results of a quantitative survey will then be presented in order to test the research hypotheses.

## THEORETICAL BACKGROUNDS

Goal theories assume that goals are organized within a hierarchical structure (Carver & Scheier, 1982) based on instrumentality links. Goals of lower order, closely linked to action levels, constitute concrete means for reaching higher, more abstract and more stable goals (Gutman, 1982). The closeness between goals and behaviour appears at three levels: through goal structure; goal accessibility and goal content.

In fact, the hierarchical structure defines different goal's levels of abstraction: abstract, central and operational (Bagozzi & Dabholkar, 1994), which exert a driving role on behaviour by guiding towards actions or towards concrete products which conform with goals.

Goal accessibility (Higgins & King, 1981; Wyer & Srull, 1981; Förster et al., 2005) or goal "salience" (Ratneshwar et al., 2001) refers to the "level of awareness of the goal" through levels of attention and intention of working memory (Austin and Vancouver, 1996). Acting in a significant way on perception and cognitive representations (Ratneshwar et al., 2001), goal salience is a necessary condition for the commitment to behaviour, notably as regards health. Previous studies show that goal salience depends on motivation (Förster et al., 2005), on situation (Vallacher & Wegner, 1985; Ratneshwar et al., 2001), and on frequency and recency of prior activations (Förster et al., 2005). The notion of content of goals refers to classifications of outcomes or states that individuals approach or avoid in their behaviour according to the origin of these states (internal or external), their nature, or to their meaning. Although the number of goals that an individual is able to pursue is relatively limited (Austin & Vancouver, 1996), studies show that the pursuit of multiple goals may lead to goals conflict when these are of a contradictory or incompatible nature, which may have many consequences on behaviour. Two possibilities may therefore be envisaged as regards the use of goal theories in the field of consumer behaviour:

– one is focused on motivation and its effect on behaviour,
– the other corresponds to knowledge about products organization in memory. This aspect has been particularly developed by Barsalou (1991) who has shown that goals influence products' cognitive representations and form "goal-derived categories" (example: category of products to eat when dieting).

Goals will therefore be involved in categorization process and thus in consumers' choice.

## RESEARCH HYPOTHESES

Typicality is a central concept in categorization theory. Cognitive psychology shows that, apart from its role in determining object membership and positioning within a category (Mervis & Rosch, 1981), there is a strong positive relationship between

**FIGURE 1**
The role of health goals in the health food category
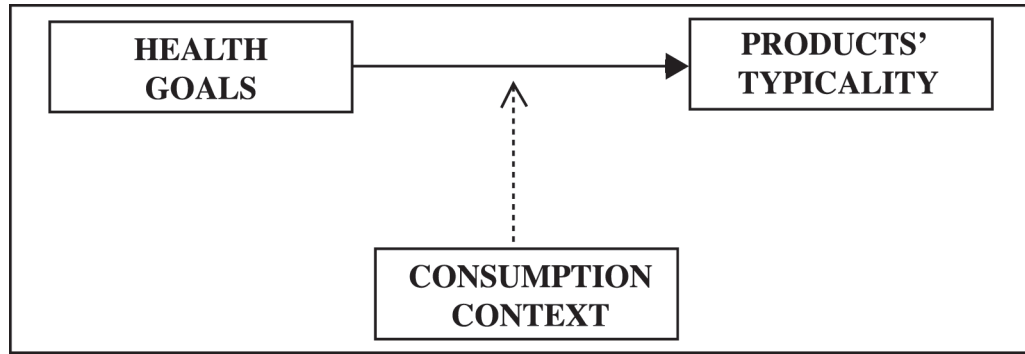


typicality and attitude (Loken & Ward, 1987; Nedungadi & Hutchinson, 1985), preferences, and the product choice within a category (Changeur & Chandon, 1995). Typicality judgments are very useful in understanding consumer's choice. Much research has been carried out on variables determining the level of perceived typicality. Among these variables, the literature gives the following determinants: familiarity (Loken & Ward, 1990), frequency of instantiation (Barsalou, 1985), family resemblance, attributes structure (Loken & Ward, 1990), ideal (Barsalou, 1985) and coherence.

Behind of these determinants of typicality, we postulate in this research that, in the case of goal-derived categories (Barsalou, 1991):

H1:  Pursued goals salience, which represents the ideal of the category determines products' typicality.

Thus, in the "health food" categories, products' level of typicality is determined by the salience (and activation level) of health goals. In fact, according to Barsalou (1991), the ideal of the category influences both the category's membership and its members' typicality. Moreover, Förster *et al*. (2005) suggest that great accessibility of goals and the constructs related to them make it possible to detect the most effective environmental stimuli in the pursuit of these goals, thus improving the probability of their attainment. According to this point of view, goal salience seems to be correlated with typicality, insofar as the most typical members are, according to Barsalou (1983, 1991), those which best serve to reach the goal sought.

In addition, cognitive psychology and marketing show that for each consumption situation, there are corresponding goals sought by the individual. The activation of situational goals occurs, according to Förster *et al*. (2005) under the effect of environmental variables which automatically trigger the process of their pursuit (Schwarz *et al*., 2003). Goals salience is thus influenced by the context, which can make certain goals more accessible and more prioritized than others. Furthermore, Ratneshwar *et al*. (1991; 1997) have shown that for each situational goal there are corresponding specific benefits which are rendered salient by situational factors, for which specific products can be used in order to attain fixed goals. Starting from the principle that, in a categorization context, products which best satisfy the category goal are the most typical, this suggests that typical products should correspond best with the consumption context in order to respond to the category objective. We therefore postulate that:

H2:  The influence of goal salience on products' typicality in goal-derived categories is moderated by the appropriateness level of these products for the context.

However typicality does not depend only on personal goal salience but also on the accessibility of the other goals in the hierarchy. Decision theories postulate that the individual gives more attention and subjective value to products capable to satisfy a need or a given goal as long as this need is active (Lewin, 1935; Klinger, 1975; Förster *et al*., 2005). From this point of view, attention to and usefulness of products vary according to the intensity or the importance of goals, which they serve (Brendl *et al*., 2003).

Studies have focused on the influence of active goals on the attractiveness of products or behaviour related to these goals (Klinger, 1975; Brendl & Higgins, 1996; Ratneshwar *et al*., 1997; Ratneshwar *et al*., 2000; Brendl *et al*., 2000). Theses works suggest that the level of goal salience has an influence on product preference, and that a "devaluation effect" may be driven by products that are perceived as irrelevant as regards active goal (Brendl *et al*., 2003; Förster, *et al*., 2005). Moreover, the effect of active goals is reinforced by their protection against environmental stimuli which do not compete with their attainment (Brendl *et al*., 2000; Brendl *et al*., 2003; Förster, *et al*., 2005). Among these factors, we suggest that competing goals could affect main goal's effect in the evaluation of products according to their level of importance or intensity.

If we assume that, in goal-derived categories typicality is influenced by goal salience level, and by taking into account that a given individual is able to pursue several consumption goals simultaneously, we assume that:

H3.a:  The effect of goal salience on typicality is significant when competing goals are not highly rated
H3.b:  The effect of goal salience on typicality is not significant when at least one of the competing goals is highly rated

If we take the case of health goals as an example, their effect (assumed to be significant) on typicality can be seen as follows (Figure 2).

## METHODOLOGY

To test these hypotheses, we have chosen the health food category. The interest in food products is justified by their close link

**FIGURE 2**
Conceptual model and research hypothesis
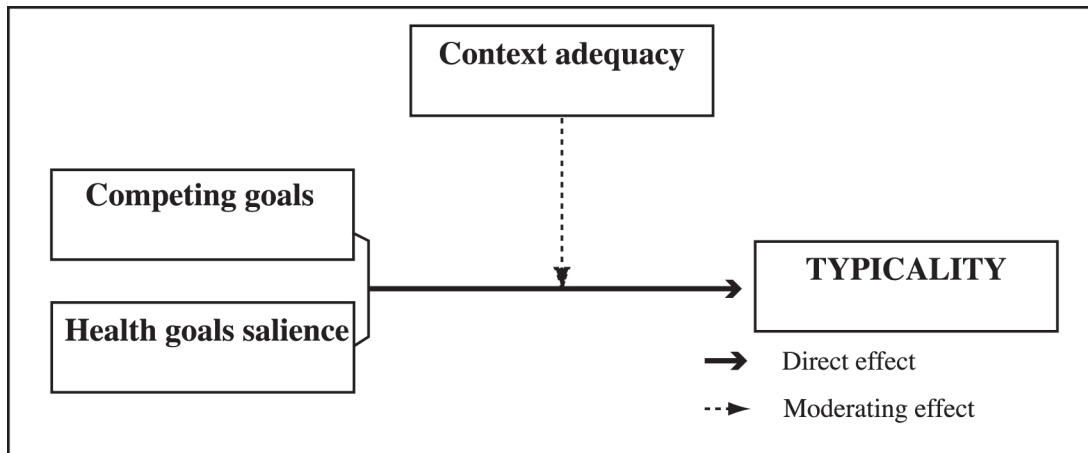


**TABLE 1**
Products retained for the final experiment

| BREAKFAST | SPORT | SNACKING |
|-----------|-------|----------|
| Chocolate croissant[1], Organic wholemeal bread, Orange, Pure fruit juice, Butter | High-energy bars, Kiwi fruit, Chocolate bar, Fruit juice, Soda | Granola bar, Apple, Chocolate bar, Chips, Hamburger |

[1]*French pastry containing strips of chocolate*

with health goals and by the diversity of objectives, which underlie their consumption (biological, cultural, economic, social and psychological).

An exploratory qualitative study was made as a first step among 22 individuals in order to identify perceptions of health foods. A lexical analysis showed that health goal could be broken down into three main subordinates goals: the need for a balanced diet, the prevention of illness and the desire for food security (in terms of health risks). The analysis also revealed 3 consumption contexts in which health goals were particularly salient: breakfast, sport and snacking context. Associated with these 3 situations, a list of 145 products was submitted to 3 judges to select products belonging to the health food category. 44 products were selected unanimously by the 3 judges to be used in a quantitative study in order to test our research hypotheses. 15 out of these products (Table 1) were retained for the final experiment (5 products per situation).

404 participants took part in the 2nd phase of the survey (the quantitative phase), spread uniformly over 3 experimental groups according to the usual socio-demographic criteria (sex, age, educational level and size of housing area).

As a first step, the salience of health goals was evaluated in order to understand how this variable could influence food perception and product classification into categories. Thus, we submitted the participants to a product categorization task based on the work of Murphy and his colleagues (1999, 2001, 2003) and Berger & Bonthoux (2000) in cognitive psychology. This task succeeded in defining the nature of associations made among the products and in distinguishing the nutritional and health links (e.g. calcium and milk) of the taxonomic categorizations (e.g. milk and cheese). Another task, suggested by the work of Ratneshwar *et al.* (2001),

was given to the participants in order to evaluate the degree of similarity between products pairs (on a 7-point scale (from "*very different*" to "*very similar*"). The authors had checked that perceived similarity between health-related products were correlated with health goal salience. Thus, when products sharing few common traits were judged similar as regards a given goal, this shows a high level of goal salience in the consumer's cognitive representations.

We also included in the measurement of health goals salience a motivational dimension which, according to Higgins *et al.* (1981), is an important determinant of goal accessibility which has been excluded from earlier research. We evaluated motivation in the tasks linked to health foods by way of a 7-point scale adapted from Maheswaran (1994), also used by Odou (2000), ranging from "*don't agree at all*" to "*agree completely*":

> "*When I choose health foods:*
> *I read carefully the information on the pack*
> *I am keen to read the product description*
> *I am keen to find out more about the product*"

Finally, a score for health goals salience is obtained by the average of the measurements of motivation, similarity and associations between products.

The suitability of products in the consumption context was measured on a scale adapted from Jean (2000) going from 1 (*not at all suitable*) to 7 (*completely suitable*) in response to the following question: "*Please indicate to what extent each of the following products seems to you suitable for [context]'.*

In order to measure the hierarchy of goals pursued by consumers, we have made use of goal theories where objects and concrete

**TABLE 2**
Results of linear regressions of health goals salience as antecedent of the typicality in different contexts

|  | $R^2$ | t | β |
|---|---|---|---|
| **Breakfast** | 55.44 % | 1.97 | 0.209* |
| **Sport** | 15.88 % | 0.52 | 0.159 |
| **Snacking** | 21.76 % | 2.45 | 0.449* |

\* *significant at 5% level*

goals represent means of reaching abstract goals. So we have used some criteria sought in food products consumption in general, which reflect higher pursued goals, including "health", namely: *price, taste, freshness, origin, packaging, respect for the environment, ease of preparation, label* and *health*. For each of the 3 studied contexts, we established a classification of these criteria according to their perceived importance by the participants. This variable (importance) was measured using an Osgood scale with 7 points, ranging from "*not at all important*" to "*very important*" in response to the following question: "*Can you indicate to what extent you attach importance to each of the following criteria in your choice of foods?*"

Typicality was evaluated by the way of the representativeness of products as regards health food category. A 7-point scale ranging from 1 (*not at all representative*) to 7 (*completely representative*) was used in response to the following question: "*In your opinion, to what extent is each of these products representative of the health food category?*"

### RESULTS AND DISCUSSION

Table 2 shows results of linear regressions of health goals salience as an antecedent of typicality in the 3 studied contexts. The regression model was as follows:

Typicality=constant+salience+conformity+coherence+attributes structure+sharing of attributes+subjective expertise[1]+E

where "salience" is the variable which describes the salience of health goals; "conformity" is the conformity of the products with the ideal of the category (Barsalou, 1985) or the degree to which products permit health goals attainment; "coherence" describes perceived coherence between products and category (Dawar & Anderson, 1994); "attributes structure" describes the degree to which products possess the category attributes (Odou, 2000); "sharing of attributes" describes the difference between products and category in the degree of possession of these attributes; "subjective expertise" refers to the perception that the individual has of his level of competence in the health food category.

Although the prediction quality is lower in sport and snacking than in breakfast situation (where $R^2$=55.68 %), a large part of typicality is correctly predicted by health goals salience.

[1]According to our results expertise variable has no significant influence on typicality. The other variables used in the regression model are the classical typicality determinants in marketing and psychological literature.

Regression coefficients are all positive but not significant in all contexts, notably in sport context (p=0.605). Hence, we find that health goal salience is not a significant determinant of typicality in every situation. Consequently, (H1) is only partially supported by theses findings.

To test the moderating effect of products adequacy for the context, we first tested the distribution normality of this variable before dividing observations into two groups. Actually, it is assumed that normally distributed variables can be transformed into nominal variables with a threshold effect around the mean (obtained for the variable *context adequacy*). ANOVA analysis is then used to compare typicality effects in the two groups (Group 1, has considered products as inappropriate for the situation, and Group 2 as appropriate). ANOVA results (Table 3) show that the differences in typicality evaluation in the two groups were significant at the 5% level threshold in the 3 situations (p=0.05; 0.007 et 0.000 respectively). This result confirms that context adequacy of products has a moderating effect on their typicality in health food category, which partly explains the variability in the effect of health goal salience on typicality.

In order to analyze the influence of goals conflict in the hierarchy, we established a classification of the different product criteria sought by participants in the 3 studied contexts (Table 4). We selected health competing factors according to their "perceived importance" ratings. Thus, we assumed as competing with health factors those that obtained a greater "importance" rating.

According to this classification, we notice that, in breakfast situation, "taste" and "freshness" get better ratings (first and second position respectively) and thus seem to be more valued than health considerations (3rd position). They are therefore considered as competing with health concerns. By introducing "taste" and "freshness" concerns with health in the regression model, we were able to study the combined effects of all these factors on typicality.

Table 5 shows that, in breakfast situation, "taste" and "freshness" variables has not a statistically significant influence on product typicality. However, health factor has a significant influence at the 5% threshold (p=0.030). Therefore, our (H3.a) hypothesis is consistently supported.

Actually, sport situation allows us to analyze the influence of health criterion with interaction with highly valued competing criteria which have significant influence on the dependent variable (typicality). Table 5 shows that in this situation (sport), taste, freshness, environmental aspects and price are more valued than health goals (more highly rated by participants). Whereas health contribution is not significant in sport situation (p=0.881), taste variable (p=0.050) and respect for the environment (p=0.002) are significant at the 5% threshold. Freshness and price variables have

**TABLE 3**
Differences in typicality ratings according to context adequacy (on 7-point scale)

|  | Adequacy Mean | | Typicality Mean | | ANOVA | | |
|---|---|---|---|---|---|---|---|
|  | Group 1 | Group 2 | Group 1 | Group 2 | Sum of squares | ddl | F test |
| **Breakfast** | 3.86 | 5.99 | 4.94 | 5.24 | 2.80 | 1 | p=0.050 |
| **Sport** | 4.16 | 5.59 | 4.94 | 5.24 | 4.87 | 1 | p=0.007 |
| **Snacking** | 4.18 | 5.95 | 4.19 | 4.78 | 10.54 | 1 | p=0.000 |

**TABLE 4**
Classification of criteria sought in food consumption according to their perceived importance

|  | Breakfast | | Sport | | Snacking | |
|---|---|---|---|---|---|---|
| Row | Criterion | Mean | Criterion | Mean | Criterion | Mean |
| 1 | Taste* | 6.22 | Taste* | 6.02 | Taste* | 6.27 |
| 2 | Freshness* | 6.03 | Freshness* | 5.71 | Freshness* | 6.14 |
| 3 | **Health** | **5.12** | Environment* | 4.85 | **Health** | **5.23** |
| 4 | Price | 4.99 | Price* | 4.81 | Environment | 5.10 |
| 5 | Environment | 4.67 | **Health** | **4.64** | Price | 4.91 |

*\* Higher-order factors compared with health*

**TABLE 5**
Combined effects of the different food requirements sought on typicality

|  | CRITERIA CLASSIFICATION | β | t |
|---|---|---|---|
| **Breakfast** | Health | 0.209* | 1.94 |
|  | Taste | 0.028 | 1.12 |
|  | Freshness | 0.025 | 1.19 |
| **Sport** | Health | 0.013 | 0.15 |
|  | Taste | 0.175* | 1.94 |
|  | Freshness | 0.091 | 0.95 |
|  | Respect for the environment | 0.293* | 3.18 |
|  | Price | 0.116 | 1.38 |
| **Snacking** | Health | 0.489* | 1.54 |
|  | Taste | 0.130 | 1.18 |
|  | Freshness | 0.098 | 1.33 |

*\* significant at 5% level*

no significant influence on typicality. These findings show that taste and respect for the environment factors may have an inhibitory effect on health considerations. Introduced into the regression model, they contribute significantly to explain typicality variance. The hypothesis (H3.b) is supported by these results. In snacking situation, table 5 shows that health dimension influences typicality (p=0.006) whereas the competing criteria, i.e. taste and freshness, do not contribute in the same way. Their influence on typicality is in fact not significant (p=0.240 and 0.739 respectively).

Considered as a whole, we have therefore validated the hypothesis (H1) and shown that salient health goals influence perceived typicality in health food category in certain situations. Theses findings are particularly relevant when goal-related products are assumed to match the consumption context (H2). This

influence of health goal salience is more important as health competing goals are less influential. (H3.a). Once other goals of the hierarchy are valued compared with health criteria (when the individual considers other criteria in his food choice), health goals influence on typicality becomes less important (H3.b).

## CONCLUSION

The main conclusion of this research offers evidence and insights on how goals impact categorization process and health food evaluation by way of two dimensions: goal hierarchy and goal salience.

Our findings offer additional evidence that the consumer does not pursue a health goal alone, but that there may be interactions between different goals according to individual priorities and context. These goals interferences may influence product judgments. Our findings are consistent with psychological literature (Abraham & Sheeran, 2003), which suggests that goal theories consider the possibility of goals conflicts, and the influence of salient goals. Moreover, the theory of action identification (Vallacher and Wegner, 1985) emphasizes that context is able to alter the salience of certain goals in a given situation. Ratneshwar and his colleagues (1997, 2001) support these findings and show that, according to situational factors, different goals may take priority, thus affecting products perception and representations. Our results are congruent with these assumptions in the sense that, for each situation there is a different hierarchy of goals and a different perception of products typicality in health food category. These results may have important implications in consumer behaviour research.

First, by manipulating health situational factors (by means of ads for example) it is possible to activate (or inhibit) other goals, which would lead to different product evaluations according to health competing goals. On the operational level, notably that of product management, typicality concept could be used to respond to consumer needs. To improve a product "health" image, it is possible to reinforce its perceived typicality as regards health food category or specific goals sought by the consumer. This could be done for example by devaluating its perceived typicality as regards goals that compete with health. Such a strategy favours a better positioning, especially when products serve double needs: nutrition and pleasure, health and "terroir", health and naturality etc. This research accentuates the need to consider different consumer concerns specially those to which he gives priority. Since, for example, for one consumer pleasure is the main motive in food consumption, to lessen products typicality as regards health goals seems to be a prudent strategy by reinforcing enjoyment image, taste and flavour instead of product medicinal aspects.

Finally, although analyzing consumer behaviour using goal theories may appear a deterministic and functionalist approach, this study shows that it is possible to guide consumer choice through marketing by using the concept of "goal salience". By encouraging a suitable nutritional discourse and by controlling the actual "food cacophony", the consumer can be guided towards a balanced diet, favorable both to his health and to his various expectations.

Some limits can be drawn at the end of this research and open doors to further investigations:

Analyzing food behaviors as being determined by goals can rise some interrogations as for the rigidity of this deterministic and functionalist approach. In order to understand the reality of food consumption and the consumer as a socialized individual, it would be interesting to include into the model the ecological variables underlining the role of the agents of influence, the culture or the social environment which can have as much influence on perceptions and choices (Steptoe *et al*., 1995; Pliner & Mann, 2004) as personal motivations.

Another limit concerns the experimental procedure and the categorization task in particular which, in our case, requires reasoning in terms of products and " health food " rather than of "healthy eating". However, healthy behavior analysis requires to think food not only in terms of combinations of products but in terms of balance, preparation process and consumption, which could make difficult the task of products evaluation in our experimentation and limit the external validity of the results. It would be useful, in a future research, to associate with the categorization tasks, others aspects, as for example, the origin of the products, their mode of preparation or their consumption.

In our research, we focused on the intrinsic attributes of the products related to their functionality and their degree of conformity to health goals. While being conscious that other extrinsic attributes can influence the evaluation of the products, it would be interesting to study the categorization schemes privileged by the consumer that can be related to the goal, the brand, the product category or the area of origin.

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# Verticalization: The Impact of Channel Strategy on Product Brand Loyalty and the Role of Involvement in the Fashion Industry

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## ABSTRACT

Our study contributes to the knowledge on how manufacturers' distribution channel strategy impact brand loyalty. Using PLS regression, we demonstrate that in the fashion industry, characteristics of the retail channel contribute higher to product brand loyalty in vertically integrated channels while the impact of product brand characteristics on brand loyalty is higher in conventional channels. We also show that consumers' involvement has a stronger effect for verticals. Our results imply that strong product brands are less reliant on verticalization to be successful, whereas weaker brands can benefit from support from the retail environment and this can be achieved more effectively in vertically integrated channels.

## INTRODUCTION

Vertical marketing systems such as corporate channels (e.g. manufacturer owned retail outlets) or contractual channels (e.g. franchise systems, retailer cooperatives, concessions) have grown dramatically during the past decade. For example, verticals such as Zara, H&M, or Mango range among the most successful retailers in the fashion industry. We define verticalization as manufacturers' forward integration: "Manufacturers' own retail sales branches and own mail-order operations are the chief examples of producer-led vertically integrated channels; while franchisees and agents are instances of intermediaries in vertically co-ordinated producer-led channels" (Guirdham 1972, 68). Vertically integrated channels provide companies with greater control over their business processes, products and profits (Heide 1994). From the perspective of brand management, the main objective of verticalization is that the distribution concept can be focused solely on the manufacturer's (product) brand. Thus, the distribution concept can be controlled in terms of the manufacturer's objectives. Conflicts, that in traditional channels for example can result from contradictory objectives of manufacturers and retailers (Corsten and Kumar 2005), can be avoided. The design and management of distribution channels thus is important for building brand equity. For example, Srivastava, Shervani, and Fahey (1998) classify the distribution channel as the firm's "relational market-based assets", and Keller (2003b) emphasizes that channel strategy is an important means to build brand awareness and to improve strength, favorability, and uniqueness of brand associations.

The establishment of vertically integrated marketing channels is not only an important phenomenon in practice but academic literature on vertical integration has also grown considerably over the last few decades. While the main focus of this stream of research focuses on internal aspects of vertical channel relationships such as power, dependence, trust, conflict or coordination and cooperation between the companies on the different stages of the value chain (Gundlach, Achrol, and Mentzer 1995; Morgan and Hunt 1994; Vinhas and Anderson 2005), only few studies have–somewhat astonishingly–analyzed the impact of vertically integrated channels on consumer behavior. In addition, a review of brand equity literature (Yoo, Donthu, and Lee 2000) shows that despite the high interest in the concept of brand equity, as stated by Shocker, Srivastava and Ruekert (1994, 157), "more attention is needed in

[…] the development of more of a 'systems view' of brands and products to include how intangibles created by pricing, promotional, service, and distribution decisions of the brand manager combine with the product itself to create brand equity and effect decision making". Hoeffler and Keller (2003) emphasize in this context that the most neglected research area is the effect of various channel strategies on brand equity.

Therefore, in this article we address the question how forward verticalization of manufacturers impacts consumer reactions towards the brand. According to the formerly described gaps in empirical research, we mainly focus on the influence of the distribution channel on the manufacturer's product brand. Our main interest is if vertically integrated marketing channel systems and the related distribution channel characteristics lead to superior consumer reactions to the brand compared to non-vertical marketing channel systems. In this context, we also address the issue if the impact of channel strategy is related to consumers' involvement, as there exists almost no research on this question.

## THEORETICAL BACKGROUND AND RESEARCH HYPOTHESES

Relationship marketing literature suggests that brand loyalty is of strategic importance for companies to obtain a sustainable competitive advantage (Sirdeshmukh, Singh, and Sabol 2002). Loyalty is understood to be a long-term attachment to a firm (Dick and Basu 1994) and it is considered to be intimately linked to consumer based brand equity (Johnson, Herrmann, and Huber 2006). We consider brand loyalty as an adequate concept to analyze the outcome of manufacturers' distribution policy. Our conceptual framework (see figure 1) is mainly based on theories from cognitive and environmental psychology. Our basic assumption is that product brand loyalty is not only influenced by characteristics of the product itself but also by the retail environment in which it is sold. Besides these main effects, we suppose that verticalization and involvement play an important role in moderating these relationships.

*Product Brand Loyalty*. The main theoretical foundations to examine loyalty formation are found in cognitive dissonance theory, learning theory and risk theory (Sheth and Parvatiyar 1995). Several conceptualizations of loyalty have been described in the literature (Gounaris and Stathakopoulos 2004). Generally, the main components of customer loyalty are considered to be repurchase, recommendation and supplementary purchases (Mittal, Kumar, and Tsiros 1999).

*Product Brand Perception*. Regarding the antecedents of brand loyalty, the vast amount of literature on customer based brand equity (Keller 2003b) suggests that consumers' evaluations of brand characteristics are of major importance. The outcome of such evaluation processes determines the value individuals derive from a brand (Sirdeshmukh et. al. 2002). In this context, two main dimensions of product evaluation have to be considered: the utilitarian dimension which relates to the functions performed by a product and the hedonic dimension which results from emotional aspects derived from the experience of buying and using the product

**FIGURE 1**
Conceptual Model
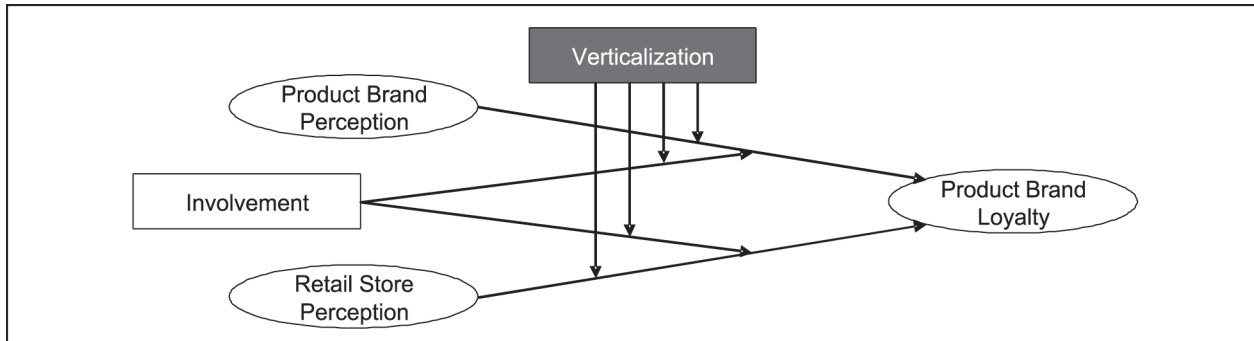


(Chaudhuri and Holbrook 2001). When an evaluation is positive, the utility and the benefits of the product brand dominate. We therefore propose:

H1: The better the evaluation of the utilitarian and the hedonic dimensions of the product brand is, the higher is product brand loyalty.

*Retail Store Perception*. Loyalty intentions towards the product brand also are influenced by the environment, in which the products are presented and sold (Keller 2003a). Therefore the influence of the retail store has to be considered. According to retailing research literature, consumers' perception of the store can be regarded as being closely related to the construct "store image". In an early and typical definition, Martineau (1958, 47), characterizes store image as "the way in which a store is defined in the shopper's mind, partly by its functional qualities and partly by an aura of psychological attributes." As store image research has identified the major facets of store image, this study will draw on those studies (Lindquist 1974; Mazursky and Jacoby 1986; Mitchell 2001) to capture the evaluation of major store attributes which correspond to the consumers' perception of the elements of the retail marketing mix instruments (Bloemer and de Ruyter 1998). Three store image facets that appear in almost every store image study are assortment and price, service and store atmosphere. As environmental psychology suggests, environmental stimuli such as characteristics of the retail store influence product evaluations (Bitner 1992). Several studies have shown that consumers' reactions to the products are affected by diverse elements of the store (see Turley and Miliman 2000 for a review on 60 studies). While these studies often only focus on single or few characteristics of the retail environment, Baker et al. (2002) use an integrative approach and show for multiple store environment cues (social, design, and ambient factors) how they influence consumers' perception of the merchandise value. Based on previous research we propose:

H2: The better the evaluation of the retail store is, the higher is product brand loyalty.

*Verticalization*. Following McCammon (1970), we include corporate vertical marketing systems (e.g. manufacturer-owned retail stores) and contractual vertical marketing systems (e.g. franchisees) in our conceptualization of verticalization. Verticalization of manufacturers into the retail channel can be interpreted similar to a brand extension. As branding literature suggests, not only context effects in general are important for consumer evaluations of the brand, but that a consistent brand environment is also critical to

generate brand loyalty (Lynch Jr., Chakravarti, and Mitra 1991). Similar to what has been analyzed mainly in the context of product branding strategies as "ingredient branding", which deals with situations in which a component of a total product is carrying its own brand label (Desai and Keller 2002), the product brand can be interpreted as an "ingredient brand" of the retail channel (Ailawadi and Keller 2004). Thus, aspects of image transfer between retail brand and the product brand are important (Park, Milberg, and Lawson 1991). According to this stream of literature, we propose that the product brand perception and retail store perception are intimately linked. Of major significance is consistency between product image and store image (Park et. al. 1991). Several empirical studies have shown the importance of retail store image for product brand image (Dodds, Monroe, and Grewal 1991; Yoo et. al. 2000). In vertically integrated channels the channel strategy, and thus, the retail marketing mix elements applied are aligned according to the manufacturers' brand strategy. Therefore, a high degree of fit between product brand image and channel image should be the rule. As brand extension literature suggests, this should result in a more consistent brand image (Ailawadi and Keller 2004). For our analysis of the impact of vertical strategy, we refer mainly to inference theory and schema theory. Inference theory suggests that consumers make their judgments about the product based on the information they receive from the cues that are available to them (Baker et. al. 2002). According to schema theory, consumers are guided by schemas, that is cognitive structures of organized prior knowledge, when making judgments about products (Fiske 1982). Vertical channels should deliver more consistent cues. We therefore suppose that the related effects such as halo-effects or irradiation are more important in vertically integrated than in conventional channels. This is also in line with implications from the literature on contextual correction or assimilation and contrast effects (Martin 1986), which implies that the level of congruence between cues (e.g. the retail store characteristics) and the product brand is important because consumers assess the correctness of their reaction to a product by elaborating on differences or similarities between the cues and the target. Thus, we propose a moderating effect:

H3: The relationships between product brand perception and product brand loyalty and between the retail store perception and product brand loyalty are moderated positively by verticalization.

*Involvement*. Consumer behavior research has shown that personal characteristics of the consumers impact their choice and buying behavior (Sheth 1983). In this context, numerous variables

such as demographics (e.g. age, gender) or psychographics of the consumers (e.g. personality, shopping motives, lifestyle, and experiences) have been analyzed. Out of these, involvement is considered as one of the most important factors of influence on consumer evaluation processes of products and retail stores and on the development of brand loyalty (Johnson et. al. 2006). Involvement has been conceptualized and measured in a variety of ways (see Bienstock and Stafford 2006 and Zaichkowsky 1985 for an overview). Following Zaichkowsky (1985, 342), we define involvement as "A person's perceived relevance of the object based on inherent needs, values, and interests" and relate to product category involvement. In previous research, numerous theories and studies point to the importance of involvement and state a significant influence of involvement on consumers' cognitive, affective and behavioral responses such as attention, processing, search, satisfaction or brand commitment (Laaksonen 1994 provides an overview). One of the most influential models to explain the effect of involvement is Petty and Cacioppo's (1984) Elaboration Likelihood Model (ELM). Transferring these insights from previous research to our research questions, we assume that the evaluation processes of higher involved consumers should be more pronounced and more elaborate than those of lower involved consumers. They therefore should lead to more pronounced product brand loyalty (Bloemer and Kasper 1995; Olsen 2007). We consequently suppose:

*H4*:   The relationships between product brand perception and product brand loyalty and between retail store perception and product brand loyalty are moderated positively by consumers' involvement.

Although consumers' involvement has been studied extensively in the field of consumer research, only few studies addressed the relationship between involvement and types of retail stores (King and Ring 1980 or Lockshin, Spawton, and Macintosh 1997), and, more specifically, only few studies have analyzed the significance of involvement in the context of manufacturers' vertical channel strategy. One of the few examples is Csipak, Chebat, and Venkatesan's (1995) study on the relationship between type of channel (direct versus indirect) and involvement in the service industry. Drawing from brand extension and involvement research, we suppose that in vertical channels where product brand and retail image are aligned, higher involvement should lead to even more manifest and enduring loyalty intentions than in conventional channels. This is also in line with cue utilization theory (Olson and Jacoby 1972), which suggests that consumers try to reduce risk by using cues (e.g. brand, price, or store characteristics) as indicators of product quality and that in the low involvement case, consumers apply simple decision rules in arriving at attitudinal judgments. Under high involvement conditions, the interaction between consumer and stimuli is an ongoing process and information is processed in a more detailed and thoughtful manner (Hansen 2005). This is also suggested by contextual correction literature, which implies that consumers need to be motivated to elaborate on differences or similarities between environmental cues and the product brand to form long-term attitudes (Bosmans 2006). Congruity between product brand and distribution channel, which should be the rule in vertical channels, therefore, should lead to even more pronounced and more long-term positive reactions towards the product brand (Park et. al. 1991). We consequently propose a moderating effect of verticalization:

*H5*:   The moderating effect of involvement on the relationships between product brand perception, retail store

perception and product brand loyalty in vertical channels is stronger than in conventional channels.

## METHODOLOGY

To test our hypotheses, we chose product brands as stimuli that are distributed both in vertical and in conventional channels. We selected four different product brands (Esprit, s.Oliver, Tom Tailor, Street One) based on market share ("share of closet", see Du, Kamakura, and Mela 2007) and the number of vertically integrated outlets of the manufacturers in Germany. We conducted our empirical study in two German cities and included twelve different retail stores in which these products are sold in our study. We chose these stores based on market share and included seven vertical outlets and five conventional retail stores (in which all four product brands were available) into our study. To collect our data, interviews were conducted in the pedestrian area of both cities. Therefore, a random sample could not be achieved. To obtain a representative sample, respondents were selected based on a quota plan (age and gender according to German fashion shopper characteristics). Each respondent was asked about one product and the store in which he shops most often for this brand. Respondents were allocated almost equally to the product brands and the retail stores (795 respondents, vertically integrated: m=389, conventional retail channels: n=406), taking into account quotas for age and gender for each sub-group.

Measure validation and model testing were conducted using SmartPLS (Partial Least Squares), a structural equation modeling tool that utilizes a component-based approach to estimation. We chose PLS because it allows representing both formative and reflective latent constructs (Jarvis, MacKenzie, and Podsakoff 2003) and avoids the problem of underidentification that can occur under covariance-based analysis (e.g. LISREL) (Bollen 1989). Product brand and retail store perception are often captured with multiattribute models. Despite the great amount of literature on these topics both for product brand and retail store perception no commonly agreed upon scales exist. Product brand perception and retail store perception each reflect a composite of individual characteristics of the product and the channel and therefore are operationalized effectively in a formative rather than reflective way. Considering content specification and indicator specification, we sought to capture the facets of product and retail store perception in a comprehensive manner. As the choice of indicators is critical for the design of formative constructs (Diamantopoulos and Winklhofer 2001), we developed our scales based on a broad literature review and managerial interviews. We extracted 16 items to describe product brand perception (see Birtwistle and Tsim 2005 for an overview) and 21 items to describe retail store perception in the fashion industry (see Lindquist 1974 and Mitchell 2001 for an overview). Because our intention was to capture all salient characteristics of the product and the store, we conducted a pretest. The main purpose of this pretest was (1) to analyze if all relevant attributes were included in our scale and (2) to eliminate irrelevant items from the scale. After this pretest, we reduced the item battery for product brand perception to 12 items (utilitarian dimension: 7 items, hedonic dimension: 5 items) and the item battery for retail store perception to 16 items (assortment/price: 7 items, service: 6 items, store atmosphere: 3 items). Substantial collinearity among indicators would affect the stability of indicator coefficients in formative measurement models because they are based on linear equation systems. In our study, none of the indicators revealed multicollinearity problems (none of the variance inflation factors exceeded 2.76). All product brand perception dimensions have been compared across the different retail settings and didn't show significant differences. Thus, product brand perception captures

**EQUATION 1**

$$t = \frac{path_{sample1} - path_{sample2}}{\left[\sqrt{\frac{(m-1)^2}{(m+n-2)} * S.E._{sample1}^2 + \frac{(n-1)^2}{(m+n-2)} * S.E._{sample2}^2}\right] * \left[\sqrt{\frac{1}{m} + \frac{1}{n}}\right]}$$

perceptions that are distinct from informants' perceptions of the associated retail stores.

In formative measurement models it is critical to pay attention to nomological validity as internal consistency reliability is not an appropriate standard for evaluating the adequacy of the measures (Bollen and Lennox 1991; Jarvis, MacKenzie, and Podsakoff 2003). We therefore included 3 additional items in our survey that captured general assessments of the product brand and the retail store, respectively (overall assessment of product brand/retail store; trust towards product brand/retail store; judgment, whether product brand/retail store serves to satisfy consumer's needs). According to branding literature and according to our theoretical assumptions, the constructs we included in our model should show a positive relationship towards these constructs. We estimated bivariate correlations between the formative constructs (results from PLS regression) and the general evaluative constructs. All correlations were positive and significant (range from .30 to .60, p<.01). As the constructs behave as expected with respect to other construct to which they are theoretically related (Churchill 1995), we assume that nomological validity is satisfactory with respect to all the relevant variables.

Involvement was measured with reflective indicators. We used Tigert, Ring, and King's (1976) fashion involvement index which captures fashion innovativeness, fashion interpersonal communication, fashion interest, fashion knowledgeability and fashion awareness as dimensions of fashion involvement (also see King and Ring Lawrence 1980). To conceptualize brand loyalty we also chose a reflective measurement approach. Following Zeithaml, Berry, and Parasuraman (1996) and Aaker (1996), loyalty was captured using four items measuring the intention to recommend, the likelihood of repurchases, the cross-buying-intention and the willingness to pay a price premium for the brand. The measurement model of the reflective indicators was assessed for internal consistency. For involvement, the average variance extracted (AVE) of .41 was considered as acceptable because Cronbach's Alpha of .76 was satisfactory and composite reliability was as high as .76 (Bagozzi and Baumgartner 1994). The brand loyalty scale also shows a high level of internal consistency with regard to Cronbach's Alpha of .77, AVE of .62 and composite reliability of .86. In addition, we assessed discriminant validity for the reflective constructs with Fornell and Larcker's (1981) criterion. The square root of the average variance extracted for involvement and for loyalty was greater than the correlation between involvement and loyalty and any other construct. The discriminant validity, thus, was satisfactory.

## HYPOTHESES TESTING AND DISCUSSION

To test our hypotheses, we conducted PLS regression. To analyze the moderating effect of involvement, interaction terms were calculated by multiplying construct values for the diverse dimensions of product brand perception and of retail store perception (all formative constructs) which were calculated in a separate, non-moderated path model, and the indicator values of the reflec-

tive measurement model of involvement (all values were standardized before calculating the product terms; see Chin, Marcolin, and Newsted (2003) for this procedure to model interaction effects). Verticalization was measured as a binary construct (coded as a dummy variable) based on company information. Therefore, to assess moderating effects of verticalization we conducted multigroup analysis. We calculated separate PLS regression models for vertically integrated channels and for conventional channels, respectively. We then calculated the significance level of the observed differences between both models assuming that path coefficient variances in both groups are approximately equal using t-test. To calculate t-test, we used standard errors from bootstrapping. These values are mean adjusted reflecting standard deviation of the sampling distribution opposed to the sample standard deviation. Therefore, to calculate t-test, this has to be corrected by multiplying the standard errors from the bootstrapping procedure with the square root of the sample size (Chin 2000) (Equation 1).

The results of the moderated PLS model and the t-test are displayed in table 1. While it is not possible to report an overall goodness of fit for the model, because the objective of PLS is prediction versus fit (Fornell and Cha 1994), the $r^2$ values of brand loyalty as well as the Stone-Geisser-Criterion which assesses the predictive quality of the model ($Q^2$ values) indicate an adequate model specification for each of the models (Chin 1998).

In hypothesis 1 we proposed a positive effect of product brand evaluation on brand loyalty. Our results show a positive significant effect which is higher for the utilitarian dimension of the product brand than for the hedonic dimension. This result was interesting as it indicates that also in the fashion industry, where one could argue that emotional aspects of the product should be of high importance, functional aspects seem to dominate in terms of influence on long-term brand loyalty. Hypothesis 2 that relates to the impact of the evaluation of the retail store on product brand loyalty is only partly supported by our empirical results. The impact of assortment/price perception and of service perception on product brand loyalty in model 3 (all respondents) is positive and significant, whereas, contrary to our expectations, no significant effect can be shown for the perception of store atmosphere. This result was interesting as we supposed that especially in the fashion industry such aspects should be important.

Hypothesis 3 posited a moderating effect of verticalization. The results show that four of the relationships we examined in our analysis are moderated by verticalization, but the empirical data supports hypothesis 3 only partly because only two of these moderating effects are in the postulated direction. According to our assumptions, the perception of assortment and price exerts a higher influence on product brand loyalty in vertically integrated channels. Also, the impact of store atmosphere, which shows a positive and significant influence in model 1 (vertically-integrated channel subsample) but no significant influence in model 2 (conventional channel sub-sample), seems to be moderated positively by verticalization. However, the perception of services seems to be negatively moderated by verticalization. This could be interpreted

**TABLE 1**

Results of partial least squares

| Hypothesis | Path of the structural model | Model 1 (vertically-integrated channels) β | Model 2 (conventional channels) β | Model 3 (all respondents) β | Results of t-test |
|---|---|---|---|---|---|
| H1 (t-test: H3) | Perception of utilitarian dimension of product brand → product brand loyalty <br> Perception of hedonic dimension of product brand → product brand loyalty | .300** <br> .159** | .402** <br> .159** | .305** <br> .148** | ** <br> NS |
| H2 (t-test: H3) | Perception of assortment/price of retail store → product brand loyalty <br> Perception of service of retail store → product brand loyalty <br> Perception of store atmosphere of retail store → product brand loyalty | .139** <br> .040 (NS) <br> .140** | .042 (NS) <br> .135** <br> .048 (NS) | .098* <br> .105* <br> .048 (NS) | ** <br> ** <br> ** |
| H4 (t-test: H5) | Utilitarian dimension * involvement → product brand loyalty <br> Hedonic dimension * involvement → product brand loyalty <br> Assortment/price * involvement → product brand loyalty <br> Service * involvement → product brand loyalty <br> Store atmosphere * involvement → product brand loyalty | .069 (NS) <br> .466** <br> .027 (NS) <br> .205** <br> -.199** | .029 (NS) <br> .233** <br> .039 (NS) <br> -.069 (NS) <br> .010 (NS) | 0.009 (NS) <br> .256** <br> .042 (NS) <br> -.037 (NS) <br> -.068 (NS) | NS <br> ** <br> NS <br> ** <br> ** |
| | Involvement → product brand loyalty | -.046 (NS) | .087 (NS) | .066 (NS) | NS |
| | | $r^2$=.42 | $r^2$=.51 | $r^2$=.45 | |
| | | $Q^2$=.21 | $Q^2$=.29 | $Q^2$=.26 | |

Significance of t-values (Bootstrapping procedure, model 1: m=389; model 2: n=406; model 3: l=795; 2,000 samples): ** $p<.01$, * $p<.05$, NS not significant.

as an indication that in conventional channels service aspects that do not relate specifically to the product brand seem to exert a positive influence. This seems plausible as it could point to the availability of a higher variety of service dimensions in conventional channels, for example due to a broader possible range of services which go beyond product brand specific services. Regarding product brand perceptions, the influence of the utilitarian dimension of product brand evaluation on product brand loyalty is moderated negatively by verticalization. Thus, in vertically integrated channels, as the evaluation of the retail store becomes more important, characteristics of the product brand become less important.

In hypothesis 4 we supposed a moderating effect of involvement. The results of model 3 show that only one out of five relationships under review is moderated by involvement: only the relationship between the perception of the hedonic product dimension and product brand loyalty shows the significant and positive effect we proposed in our hypothesis. This points to a high importance of emotional aspects of the products for higher involved customers which seems plausible for the fashion industry. All in all, we only find little support for hypothesis 4 in our data.

The analysis of the impact of verticalization on these moderating effects (hypothesis 5) shows three significant moderating effects of which only two are positive and one, however, is negative. According to our assumptions, the moderating effect of involvement on the relationship between the perception of hedonic dimension of the product and product brand loyalty is higher in vertically integrated channels. Whereas service dimensions of the retail store did not show a significant impact on product brand loyalty in vertically integrated channels, there seems to be positive and significant interaction between service perception and involvement in vertical channels while no significant interaction effect can be shown for conventional channels. The relationship between store atmosphere and product brand loyalty is moderated negatively by

verticalization. Interestingly, the impact of the store atmosphere perception on product brand loyalty in vertically integrated channels is moderated negatively by involvement. This seems to indicate that–in vertically integrated channels–the higher involved customers are, the more important are product oriented dimensions. Store atmosphere aspects in this situation probably are perceived as distracting customers from the product brand. Taking these results into account, hypothesis 5 is only partly supported.

As a general intention of our study was to analyze if vertically integrated channels are more successful than conventional channels, we conducted ANOVA (using the latent variable scores from the PLS regression) to analyze the differences in product brand loyalty between vertically integrated and conventional channels. The results (mean value vertically integrated channels: .19; mean value conventional channels: -.18; F=29.32; p=.000) show that indeed, as a result of the moderating effects on the relationships analyzed in our model, brand loyalty in vertically integrated channels is higher and thus, verticals seem to be more successful.

**CONCLUSIONS AND IMPLICATIONS**

With the results of our study, we can add to the knowledge on the sources of success of vertically integrated channel systems. Consonant with empirical observations on the continuously growing market share of verticals such as H&M, Zara, or Mango, our study shows an advantage of verticals in terms of consumers' loyalty. We were able to show that characteristics of the retail channel are important to build product brand loyalty and that the contribution of the retail store perception to product brand loyalty is significantly higher in vertically integrated channels. With our study, we also are able to show that the higher involved consumers are, the more important are hedonic aspects of the product for product brand loyalty creation. Our study also adds to the knowledge on the significance of involvement in the context of verticalization. The results show that verticalization moderates the

impact of involvement of the effects of product and retail store perception on product brand loyalty.

This study reinforces the commonly agreed upon assumption that for manufacturers a careful selection of distribution channels is of key importance to generate product brand loyalty. But our results also imply that verticalization seems to be more important for weaker brands. According to our results and contrary to what we expected, in conventional channels, the product brand seems to be less contingent on its retail channel environment (which is not as "tailor-made" as it is in vertically integrated channels) and the product characteristics themselves exert a higher influence on brand loyalty than in vertical channels. The product brand has to compete with other product brands in the assortment and single product brands receive less support from the channel environment. Thus, if the manufacturer has a strong product brand, verticalization is not necessarily required to be successful, whereas, on the other hand, weaker brands can benefit from the support of a favorable retail channel environment and this can be achieved more effectively in vertically integrated channels. In channel design, manufacturers also should care for consumers' involvement. Our study shows that with an increase in consumers' involvement, in vertical channels the impact of service aspects becomes more important, while, however, with higher involvement the impact of the store atmosphere is alleviated.

As with all research, our study is constrained by certain limitations, thus implying areas for further research. The limitations mainly refer to the focus of the analysis on the impact of retail channel characteristics. In future research, other factors of influence such as situational variables, additional personal characteristics, etc. should be analyzed. We also focused our analysis on brick-and-mortar outlets. We suggest that future analysis should investigate other channels such as remote ordering or the Internet and should take into consideration that some manufacturers use multichannel distribution systems. Also, we conducted our empirical study in the fashion industry. Future research should analyze if our results can be transferred to other categories in the consumer goods industry. A possible limitation of our study also could result from the retail context (fashion retailing in Germany) in which our study was conducted. Thus, in future research, the relationships should be tested in other countries and other retail sectors.

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# APPENDIX
Measures

| A. Measures of Product Brand Perception<br>(anchors: 1=totally agree; 5=do not agree at all) |
| --- |
| Products of Brand X… |
| … have a good value for money. |
| … are of high quality in terms of fabrics, durability, wear resistance. |
| … are easy to clean. |
| … fit well. |
| … are comfortable to wear. |
| … are well-cut. |
| … match well within the product range of Brand X and can be combined in various ways (e.g. color patterns within the range). |
| … are aesthetic and tasteful. |
| … are expressive. |
| … are up-to-date / fashionable. |
| … are fancy / creative. |
| … are elegant. |
| B. Measures of Retail Store Perception<br>(anchors: 1=totally agree; 5=do not agree at all) |
| Store Y… |
| … provides a good value for money. |
| … offers high quality merchandise. |
| … offers a wide selection of merchandise. |
| … offers up-to-date / trendy merchandise. |
| … has a high in-store availability of products that I want to buy. |
| … offers exclusive products that are not available elsewhere. |
| … offers matching outfits (e.g. in terms of color concepts). |
| … always has enough sales people in the store. |
| … has sales people that are very customer-oriented (e.g. friendly, offer support). |
| … has sales people that are very competent (e.g. fashion know how). |
| … has an attractive in-store design. |
| … has an appealing exterior store design. |
| … has a clientele that I feel comfortable with. |
| … is clean, fair and tidy. |
| … offers good general services (e.g. payment methods, guarantees, return policy, changing rooms). |
| … allows efficient and quick shopping. |
| C. Fashion Involvement Index (Tigert, King, and Ring 1976)<br>(semantic differentials; 5-point scale, anchors: + 2 …-2) |
| I buy new clothing fashions earlier in the season than most others. -----<br>I buy new clothing fashions later in the season than most others. |
| I give a great deal of information about new clothing fashions to my friends. -----<br>I give very little information about new clothing fashions to my friends. |
| I am more interested in clothing fashions than most others. -----<br>I am less interested in clothing fashions than most others. |
| I am more likely to be asked for advice about new clothing fashions than most others. -----<br> am less likely to be asked for advice about new clothing fashions than most others. |
| I read the fashion news regularly and try to keep my wardrobe up-to-date with the fashion trends. -----<br>I am not at all interested in fashion trends. |
| D. Measures of Product Brand Loyalty<br>(anchors: 1=totally agree; 5=do not agree at all) |
| I would recommend to relatives and friends to buy products of Brand X. |
| The likelihood that I will buy products from Brand X in the next years is very high. |
| The likelihood that I will buy more products from Brand X in the next years is very high. |
| I am willing to pay a higher price for products from Brand x than for products from other fashion brands. |

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# The Influence of In-Store Experiential Events on Shopping Value Perceptions and Shopping Behavior

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## ABSTRACT

This paper investigates the potential for experience enhancing in-store retail events to impact consumer value perceptions and behavior. We report findings from a survey where the presence and type of in-store experiential event was varied by shopping scenario descriptions with regard to DIY category shopping. ANOVA and mediation tests are conducted and indicate that the presence of an in-store event significantly increases consumer value perceptions and reported shopping behavior intentions. We find no significant differences among the types of in-store event presented for either perceived shopping value or shopping behavior intention. We do, however, find event specific effects for consumers perceived shopping enjoyment.

## INTRODUCTION

Since Kotler (1973-1974) coined the term atmospherics a plethora of research has investigated the impact of visual, aural, olfactory, and tactile dimensions of the retail environment on a variety of behavioral factors (Turley and Milliman 2000). Studies have investigated the impact of these variables in isolation (i.e., the effect of music only), or in some combination (i.e. the effects of music and lighting). However, in all these studies the effects of the holistically experienced retail environment have remained somewhat unexplored. Indeed, although the individual atmospheric variables are important in the development of a retail experience (Machleit and Eroglu 2000; Morrison and Beverland 2003; Pine and Gilmore 1999), their final effects may be dependent upon the consumer's affective evaluation of the environment (Snodgrass, Russell, and Ward 1988). We therefore suggest that the literature on atmospherics and retail experience would be enhanced by empirical research examining the impact of in-store experiential events on consumers.

A holistic perspective on retail experience is provided by Pine and Gilmore (1999) and Schmitt (1999), who both propose that there are unique dimensions that encompass the multiple aspects of atmospheric variables forming retail experiences. We adopt the typology of Pine and Gilmore (1999) as the basis for formulating experiential in-store event dimensions. These dimensions are the (i) aesthetic, which includes the visual, aural, olfactory, and tactile dimensions, (ii) educational, (iii) entertaining, and (iv) escapist, which at its extreme may allow consumers to experience an alternate reality. In this paper, we study the effects of these four types of retail experience on consumer value perceptions and behavioral intentions. We in particular investigate if value perceptions mediate the effects of the types of retail experience on behavioral responses. Overall, we hypothesize that as atmospheric variables have been shown to positively impact consumer value perceptions and behavioral responses, so too may the presence of in-store experiential events. Essentially we propose that these events positively impact consumer perceived shopping value perceptions and, consequently, also consumers' intended shopping behavior.

We test this notion in a survey among a sample of shoppers in a DIY category using an experimental approach. The survey presented respondents with different descriptions of in-store events based on the typology by Pine and Gilmore (1999). Results indicate

that the presence of an in-store event significantly increases value perceptions, in particular expected shopping enjoyment, and reported shopping behavior intentions. We find limited effects for the type of event presented. The type of in-store event presented influences the level of perceived shopping enjoyment but not the other value components, convenience and risk. Before discussing the further details of our hypotheses and findings we provide a summary of the pertinent literature in the section below, followed by a description of the method of our study. Finally, we discuss the implications of the main findings and provide recommendations for future research.

## RELEVANT LITERATURE

Most literature on retail environments draws its theoretical foundations from either environmental psychology and the S-O-R paradigm or the perceived value framework. As comprehensively summarised by Turley and Milliman (2000), this S-O-R paradigm assumes that environments contain stimuli (S) that cause changes to a consumer's organismic (or internal) state (O), which in turn cause approach or avoidance responses (R) (Mehrabian and Russell 1974). The S-O-R paradigm explains and presents evidence pertaining to numerous environmental cues, such as visual, aural, olfactory and tactile cues, and their related effects on consumer responses. For example, Mehrabian and Russell (1974) assert that shoppers react to retail environments with approach (e.g. desire to stay in the environment, or actively explore) or avoidance (e.g. desire to leave) behaviors. These studies have typically investigated the effects of either singular (i.e., music) or some combination (i.e., music and lighting) of atmospheric independent variables on a number of dependent variables.

Although atmospheric variables in isolation can have positive effects, as highlighted in Turley and Milliman's (2000) review, in practice these variables produce their effects in combination with other in-store variables. Little seems to be known about how combinations of atmospheric variables, in terms of retail experience, impact consumer behavior (Baker et al. 2002; Beverland et al. 2006; Wakefield and Baker 1998) and current perspectives provide mixed results. In general, pleasant environments have resulted in positive effects, however arousing environments have resulted in mixed findings (Kaltcheva and Weitz 2006). Baker et al. (2002) suggest that stores which engage high shopping experience costs may encourage consumers to avoid the store.

The perceived value paradigm has also been influential in the study of retail environments (Day and Crask 2000; Sweeney and Soutar 2001; Woodruff 1997). Zeithaml (1988, 14) defined perceived value as "…the consumer's overall assessment of the utility of a product based on perceptions". To date, studies have attempted to correlate perceived shopping value to retail variables such as satisfaction (Babin, Darden, and Griffin 1994; Babin et al. 2005), customer share (Babin and Attaway 2000), and repatronage intentions (Stoel, Wickliffe, and Lee 2004). Some have included a focus on retail variables, such as satisfaction, word-of-mouth, loyalty, repatronage intentions and repatronage anticipation (Jones, Reynolds, and Arnold 2006). In addition, previous research has shown that shopping environments can impact consumer percep-

tions, potentially impacting a variety of behavioral variables from enjoyment to behavioral intention (Turley and Milliman, 2000). There has been however little research investigating the impact of experience enhancing retail events on value perceptions.

Within the shopping value literature two types of value are often identified, being utilitarian and hedonic value (Babin et al. 1994; Childers et al. 2001). Utilitarian shopping value can be related to the consumer's need to obtain some utilitarian consequences from visiting a store (i.e., obtaining product information, acquiring a product) and incorporates aspects such as shopping convenience and perceived risk. Hedonic shopping value can be related to the consumer's need to obtain fun and pleasure and relates to the perceived level of shopping enjoyment. These dimensions of perceived shopping value refer to consumers' perceived utility on utilitarian and hedonic dimensions. However, there have been mixed results from studies investigating the effects of retail environments on shopping behavior (Kaltcheva and Weitz, 2006).

Two things seem to have remained unexplored in this literature. Firstly, the two paradigms have not been brought together to investigate how retail experiences can potentially increase value perceptions (Jones et al. 2006), referred to as perceived shopping value in this paper. Secondly, there has been limited empirical investigation if, and when, retail experiences impact behavioral variables, for example shopping behavior intentions. Both Pine and Gilmore (1999) and Schmitt (1999) develop operational typologies of retail experience, both proposing that there are unique dimensions encompassing the multiple aspects comprising retail experience. Thompson and Arsel (2004) note that both of these typologies offer consumers distinctively themed servicescapes, designed to facilitate the experience.

Schmitt (1999) develops a typology of experience based on five key dimensions, sense, feel, think, act, and relate. These dimensions provide a framework by which companies and brands can engage consumers in an experiential manner. Alternatively Pine and Gilmore (1999) developed a fairly operationally defined view of retail experience. In their view, retail experience can comprise of four experience realms: the aesthetic, educational, entertaining and escapist realm. Whilst both typologies provide potentially fruitful avenues for empirical investigation, we adopt the Pine and Gilmore (1999) typology in this paper. One reason for this adoption is that the Schmitt (1999) typology seems particularly well suited to the creation of brand experiences. For instance, Schmitt (1999) proposes that consumers be engaged to sense, feel, think, act, and relate. The Pine and Gilmore (1999) typology provides four distinct experience designs particularly well suited to retail settings, aesthetic, education, entertainment, and escapism. Furthermore, these four realms are well suited to form the basis of distinct offerings in an experimental setting.

Based on this typology, we define an in-store experiential event as an event that encompasses the multiple aspects of retail atmospherics (i.e., the aesthetic environmental attributes) and engages the individual in either, an aesthetic experience, an educational experience, an entertainment experience, or some form of escapist experience. A key component in defining an in-store experiential event is that these events can vary along the dimensions of participation and immersion. Educational and escapist events allow the consumer to actively participate where entertaining and aesthetic events are passive.In addition, escapist and aesthetic events allow the consumer to be immersed in the environment, whereas an entertaining or educational event allow for the consumer to absorb some form of knowledge or information. Hence, an in-store experiential event differs from an atmospheric variable in terms of the way in which a consumer is immersed and participates within the store setting.

## HYPOTHESES

Based on the theoretical ascertains in the previous section we develop several testable hypotheses. First, given that previous research has shown store environments can positively impact consumer behavior we predict that in-store experiential events will impact consumers in a similar manner. Consequently, we predict that the presence of experience enhancing in-store events will positively influence our dependent variables, increasing (*H1*) consumer shopping value perceptions and (*H2*) consumer shopping behavior intentions. Furthermore, and drawing from both the S-O-R and the value framework we propose that in-store experiential events (S) cause changes to consumers' perceived shopping value (O), which in turn impact consumer shopping behavior intentions (R). Hence we predict that (*H3*) the relationship between the presence of such in-store events and shopping behavior intention is mediated by perceived shopping value, with higher levels of perceived shopping value resulting in higher levels of shopping behavior intention. Finally, given that we adopt the Pine and Gilmore (1999) typology, experimentally manipulating the type of in-store event we predict that (*H4*) events generating different types of experience will have different effects on the value generated. Specifically, given that the educational and escapist events allow consumers to learn and engage with the products (active participation) we expect these events to differ from the aesthetic and entertaining events as these events are purely passive in participation. On the dimensions of perceived shopping value, we predict that active events (education, escapist) will reduce consumer levels of perceived risk, increase their perceived convenience, and not differ across expected enjoyment levels. In a similar vein, we predict that the active events will significantly increase shopping behavior intentions.

## METHOD

### Sample

Telephone recruitment was used to approach a random sample of households in a large Metropolitan area for participation in a mail-back survey about shopping for DIY products. Of 488 questionnaires distributed, a total of 312 (64%) was returned. The sample consisted of 58.8% females. In terms of age, a wide range of age groups was represented.

### Experimental procedure and design

The questionnaire first asked respondents about their most recent visit to a DIY store. They were then presented with a hypothetical scenario in which they were supposed to revisit this store but the store would be hosting a special event. Asking to imagine a store that they were familiar with allowed for a point of reference for consumers (Starmer 2000). The event descriptions that followed manipulated the in-store event along the four Pine and Gilmore (1999) event dimensions. For example, with the educational scenario the description was as follows:

When you reach the store you find out that the store has an in-store event running, this event is based on the concept of education. Within this store you are presented with the ability to seek professional advice by way of in-store presentations and/ or one-on-one interaction with specialists.

The remaining scenarios were described in a similar manner. The manipulation of store environments in order to measure consumer responses has proven successful in previous research (Koelemeijer and Oppewal 1999). In addition to the experimental conditions a separate control version was created in which no event

was described to respondents. The control scenario provided no information about an in-store event to the respondents. This resulted in a between-subjects design with five questionnaire versions for the four event types and one control. Each respondent was randomly allocated into one of the five scenario conditions. . Of the 312 questionnaires received, 64 were from the aesthetic event scenario, 74 from the educational scenario, 70 from the entertaining scenario, 69 from the escapist scenario, and 35 from the control condition.

### Dependent variables

There were two key behavioral dependent variables measured in the study, perceived shopping value and shopping behavior intentions. The dependent variable of perceived shopping value relates to the "consumer's overall assessment …based on perceptions of what is received and what is given" (Zeithaml, 1988, 14). Whilst the most common trade-off is between quality and price (Monroe 1990), Sweeney and Soutar (2001) suggest that this is often an overly simplistic definition. To measure perceived shopping value in relation to retail experience we adapt measures for three sub-dimensions, perceived shopping risk (Jacoby and Kaplan 1972, Sweeney, Soutar, and Johnson 1999), perceived shopping convenience (Seiders et al. 2005), and perceived shopping enjoyment (Childers et al. 2001). The second dependent variable was shopping behavior intention. This was a six-item scale based on Donovan and Rossiter's (1982) scale and its later refinement by Kaltcheva and Weitz (2006). All items were scored on a seven-point Likert scale, anchored by 'strongly disagree' and 'strongly agree'.

### Manipulation check

Following the description of the in-store experiential events, respondents were asked to write one thing that they liked (and one that they disliked) about the event described to them. Analysis of the open-response comments formed the basis for the manipulation checks. The open-responses were coded in terms of 5 categories, aesthetic-based, education-based, entertaining-based, escapist-based, and other for responses outside this classification. The percentage responses coded in correspondence with the manipulations were .39 for aesthetic, .63 for educational, .33 for entertaining, and .52 for escapist. All these percentages are significantly higher than the chance rate of .20. Hence, the open-ended responses indicate that the manipulation of the events was comprehended in the intended manner.

## RESULTS

### Perceived shopping value

The first dependent variable of interest was perceived shopping value. The measure of perceived shopping value comprised a summation of the three separate measures on the dimensions of hedonic and utilitarian value: perceived shopping convenience, perceived shopping risk, and perceived shopping enjoyment. These three constructs had Coefficient Alpha reliabilities of: .82, .83, and .89, respectively. For analysis purposes, respondents were divided into two groups (Group 1: The experiential condition; Group 2: The control condition) in order to test for difference in behavior depending on the presence or absence of an in-store event. A one-way between groups analysis of variance was conducted to explore the impact of experiential events on levels of overall perceived shopping value and the three individual components of the perceived shopping value.

There was a statistically significant difference in overall perceived shopping value scores between the experiential event condition and the control condition [$F(1, 290)=18.16$, $p \leq .001$]. The actual difference in mean scores between groups was medium according to Cohen's (1988) criteria. The size of the effect can be assessed by calculating partial eta squared, which provides an estimate of the strength of association available for ANOVA. When there are two levels of the independent variable eta squared is the point biserial correlation between the continuous (dependent) variable and the dichotomous variable (Tabachnick and Fidell 2001). In this instance, the effect size was .06.

Further analysis of the individual components of overall perceived shopping value was conducted. There was a statistically significant difference in perceived shopping enjoyment scores between the experiential conditions and the control condition [$F(1, 299)=23.61$, $p \leq .001$]. The actual difference in mean scores between groups was medium according to Cohen's (1988) criteria. This effect size, calculated using eta squared, was .07. The remaining components, perceived shopping convenience and perceived shopping risk, did not differ significantly between any of the groups. In summary, hypothesis 1 is supported as the in-store experiential event did influence overall perceived shopping value. The event specifically affected the perceived shopping enjoyment component and not the convenience or risk dimensions of perceived shopping value.

### Shopping behavior intention

For testing the influence of in-store events on shopping behavior intention, a similar ANOVA was conducted with shopping intention as the dependent variable. $H_2$ predicts that the in-store experiential events will result in overall higher levels of shopping behavior intention. Again, for analysis purposes, respondents were divided into the same two groups as previously. A one-way between groups analysis of variance was conducted to explore the impact of experiential events on levels of shopping behavior intention.

There was a statistically significant difference in overall shopping behavior intention scores between the experiential condition and the control condition [$F(1, 293)=10.49$, $p \leq .01$]. The actual difference in mean scores between groups was small according to Cohen's (1988) criteria. This effect size, calculated using eta squared, was .03. These results suggest that when respondents were presented with a condition in which an experiential event was present their overall shopping behavior intention increased. In summary, hypothesis 2 is supported as the in-store experiential event did influence consumers reported shopping intentions.

### Mediation tests

$H_3$ predicts that the relationship between in-store experiential events and shopping behavior intention is mediated by perceived shopping value. It is anticipated that the mediation will work such that the announcement of the event will result in increased levels of perceived shopping value which in turn will enhance shopping behavior intention. We followed Baron and Kenny's (1986) criteria for mediation. These authors recommend a 3-stage, sequential procedure whereby: i) each mediating variable is estimated as a function of the independent variable, ii) the dependent variable is estimated as a function of the independent variable, and iii) the dependent variable is estimated as a function of the mediating variable as well as the independent variable. For mediation to exist, the beta coefficient for the independent variable must be non-significant in the presence of the mediating variable. If this beta coefficient is reduced but is still significant, then it can be concluded that the effect of the independent variable on the dependent variable is only partially mediated.

The results reveal that the direct path from in-store event to shopping behavior intention was significant (beta=4.03, $t=3.2$, $p \leq$

.001). Respondents who had been exposed to an experiential event indicated higher levels of shopping behavior intention than those who had not been exposed to an experiential event. The effect of the independent variable on the proposed mediator was also statistically different from zero (beta=6.06, $t$=4.23, $p \leq .001$), hence respondents who were exposed to an experiential event indicated higher levels of perceived value. Finally, for mediation to exist, the beta coefficient for the independent variable must be non-significant in the presence of the mediating variable. The direct effect of the independent variable on the dependent variable, controlling for the mediator was not statistically different from zero (beta=1.97, $t$=1.64 $p >$·.05), indicating no relationship between the event and shopping behavior intention when controlling for perceived shopping value. Thus, all of Baron and Kenny's (1986) criteria for mediation are established, which confirms mediation and provides support for hypothesis 3. This result indicates that the level of perceived shopping value does mediate the relationship between experiential events and shopping behavior intention.

**Differences between events**

There was a statistically significant difference [$F(4, 287)$=5.06, $p \leq .001$] in overall perceived shopping value scores between each of the four experimental groups [aesthetic ($M$=55.02, SD=7.84), education ($M$=53.39, SD=8.32), entertaining ($M$=53.70, SD=7.51), and escapist ($M$=53.16, SD=7.48)] and the control group ($M$=47.83, SD=7.54). In this instance, the effect size was .07. Planned comparisons revealed no significant difference amongst the event types. Further analysis of the individual components of overall perceived shopping value revealed a statistically significant difference in perceived shopping enjoyment scores between each of the in-store event conditions and the control condition [$F(4, 296)$=7.22, $p \leq .001$]. The actual difference in mean scores between groups was medium according to Cohen's (1988) criteria. This effect size, calculated using eta squared, was .09. Planned comparisons revealed a significant difference [$F(1, 296)$=3.91, $p \leq .05$] in the mean score between the aesthetic event ($M$=18.73, SD=5.01) and each of the remaining event types. There were no further differences between the event types.

There was a statistically significant difference [$F(4, 290)$=3.33, $p \leq .05$] in overall shopping behavior intention scores between the event conditions and the control condition. The actual difference in mean scores between groups was small according to Cohen's (1988) criteria. This effect size, calculated using eta squared, was .04. Planned comparisons revealed no significant difference among the four in-store event types. In summary, hypothesis 4 can not be supported as there were no significant differences amongst the four event types in either perceived shopping value of shopping behavior intentions. There was, however a significant difference in perceived shopping enjoyment for the aesthetic event.

## DISCUSSION

The experiment presented here investigated the impact of in-store experiential events on consumers' perceived shopping value and shopping behavior intentions. In addition, we investigated if there were any differences on these dependent variables among the four event types used in the hypothetical scenarios. The experiment was conducted among a sample of potential real shoppers in a large metropolitan area and involved the manipulation of store descriptions presented in a survey. The S-O-R and value frameworks provided useful foundation to investigate the impact of in-store experiential events (S) on perceived shopping value (O) and shopping behavior intentions (R). In the present study, it was found that in-store experiential events are significantly associated with both perceived shopping value and shopping behavior intentions. Furthermore, perceived shopping value acted as a mediator variable between the in-store event and the consumers shopping behavior intentions.

With regard to perceived shopping value, our results found evidence for differentiated influences of the experimental condition, the in-store event, especially for perceived shopping enjoyment. Our findings suggest that when a retailer has an in-store experiential event, overall consumer expectations of the shopping experience increased. This increase is driven in particular by the hedonic value dimension, measured as perceived shopping enjoyment, and not by the utilitarian value dimensions, which were operationalised as convenience and risk. Regarding the latter, apparently, in the category studied (DIY) the presence of an in-store experiential event is not seen as a component of the retail environment that will make shopping more risky or difficult.

With regard to consumers' shopping behavior intentions, we found support for differences in overall shopping behavior intention scores between respondents in the experiential conditions and the control condition. In general, respondents reported behavioral intentions (i.e., approach, purchase intention) increased when a store had an experiential event present. We also found a direct mediating effect of perceived shopping value between in-store retail events and shopping behavior intention. The results fulfilled the mediation criteria set by Baron and Kenny (1986).

In this study we found no significant differences between the in-store experiential event types based on the active and passive scenarios. On both of the dependent variables, perceived shopping value and shopping behavior intentions, all four event types were significantly different to the control. We found a difference between the aesthetic event and all other event types on the value dimension of expected shopping enjoyment. Overall, our respondents reported significantly higher anticipated enjoyment for the aesthetic event. There were no other differences amongst the event types. In some respects this conforms to previous findings which have found conflicting results in highly arousing environments (i.e., active) and more consistent, and positive, effects in pleasant (i.e., passive) environments (Kaltcheva and Weitz, 2006). There are two potential explanations for this lack of differentiation between the event types. First, whilst the Pine and Gilmore (1999) typology provides an attractive framework, perhaps the dimensions are undifferentiated and consumers do not clearly see the difference between an entertaining and an educational event. Furthermore, there may be heterogeneity within the sample, such that certain consumer segments may prefer certain event types, however this was not the focus of this study.

There are some limitations to this study. The most important is that it has relied on written descriptions of the retail environment and events. This is however a limitation that is shared with the majority of research into retail atmospherics (Erogul and Machleit 1990; Gardner and Siomkos 1986). Further research should be conducted in real retail store settings, preferably using experimental manipulations of in-store experiential events, to further investigate aspects of consumer expectations, shopping goals, and behavioral outcomes.

Keeping these limitations in mind, we are able to make a number of recommendations. Our findings suggest that consumers exhibit different behavioral intentions towards retailers depending on the retail environment and the consumer's level of perceived shopping value, in particular their level of perceived shopping enjoyment. The results empirically confirm that in-store experiential events can positively influence consumer behavior in terms of both their subjective value perceptions prior to the consumption

experience and their anticipated behavioral responses. From the findings presented in this paper, we conclude that experiential events can be a determinant of how consumers evaluate a retail encounter. Our findings build on previous research that has shown the impact of atmospheric variables to show that retail experiences can positively impact consumer behavior. Designing experiments within retail environments to study the actual impact on consumers and retailer outcomes would be a logical next step in this area.

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# Consuming $30-a-Pound Cheese: The Role of the Retail Cheesemonger as *CICERONE*

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## ABSTRACT

To get artisan cheese from producer to consumer requires a uniquely different channel than for most agricultural products, with a cheesemonger playing a central role. Artisan cheese making, distribution and sale in the northeastern United States are both sufficiently established and rich in regional variation to support examining the cheesemonger/cheese consumer interaction. Through traditional qualitative methods of observation, interview, and immersion, we identify and document the important rituals that accompany the cheese buying process. We explain the pivotal roles of narrative and story and of store atmospherics and staging to the process of making meaning in the cheesemaker to cheesemonger to cheese consumer channel.

*"What we need," a woman said, "is more skilled cheesemongers."*
*Adam Gopnik, 1990 American Cheese Society Meeting, NYC.*

## INTRODUCTION

Cheese is the central object, frequent passion and oftentimes obsession of the cheesemaker, cheesemonger and devoted cheese consumer. The central figure in the commercialization of artisanal cheese is the cheesemonger, who performs an evangelist-like role for great cheese. S/He serves the artisanal producer by consulting on the product, working with the media to present and highlight the novel, and serving as a guide, or *cicerone*, for purchasers looking for new experiences.

The definitions for categories/types of cheeses among cheesemakers and cheesemongers in the United States are not codified in regulatory language, as they are in the European Union. Some terms, however, are common and important for the cheesemaker, monger, and connoisseur. *Farmstead* cheese is made of milk from animals owned and husbanded by the cheesemaker. *Artisan* (or sometimes *farmstand*) cheese is made from the milk of local animals, hand-crafted in small batches, usually via traditional methods. *Specialty* cheeses are often made by a cooperative, yet are still of high quality. *Industrial* cheese is made in a factory, with the aim of producing a cheese with minimal variation in taste or texture from one batch to the next. In the progression from the farmstead through industrial, the proximity of animals, the amount of handwork, and the scale of production all change. Animal presence decreases, handwork is replaced by machinery, and scale rises from community output measured in pounds to industrial output measured in tons. Similarly, regional and seasonal variation diminishes from the farmstead to the industrial and experimentation in process and finishing is wrung from the mechanized, industrial cheese.

Cheese is a more complex product than many other specialty goods because it is a "living thing." First, if not shipped correctly, the cheese may be destroyed. Second, many cheeses require aging, a component of the process to produce the cheese itself. Aging requires not only a controlled environment—correct temperature and humidity—but also an ecology that allows for the correct molds, such as *Geotrichum candidum* which gives the bloomy, white, skin of many notable French cheeses (*The Cheese Nun 2006*). Finally, the aging process may be coupled with a curing process. These curing processes can range from storing the cheese on cedar boughs, wrapping the cheese in grape or chestnut leaves, to washing the cheese in salt, beer, or liqueurs, and turning, brushing, wrapping, waxing or thumping. Part of the art of the cheesemonger is knowing when the cheese is at its perfect state for eating. The role of aging is so critical to preparing the cheese for market that its role has been formalized as *affinage*.

The cheese revival in America is of recent origin. There is some evidence of American artisan cheeses made prior to World War II, such as the New York State Poona, a type of Brie, along with the hard cheeses of Vermont, Wisconsin, and California (Roueche 1949). Following World War II, industrial food production accelerated, substituting notions of "nutrition" for food (Mintz 1996) and culminating in products such as General Foods' Tang or Pillsbury's Space Food Sticks, emblematic of a future world of food divorced from agriculture. The rise in interest in cheese has followed on the heels of the success of American wines. The development of traditional, agricultural markets seems to have been part of backlash against the futuristic Jetson lifestyle and the mechanization of life's pleasures that accompanies it (Ritzer 2004). This reaction has included the successes of microbreweries and the ongoing attempts to nurture profitable markets for artisan breads, heirloom vegetables, and specialty livestock (Honoré 2004).

The cheese making revival seems to have begun with goats in the late seventies in California with Laura Chennel (*Saveur 2005*). Cheese making has since incorporated other animals, especially cows—for "back to the farm" types who have rediscovered the need to exploit the added value of cheese making to complement selling milk (Sullivan 2005). Artisan cheesemakers are found in almost all states, with large concentrations in New England, especially Vermont, in the upper Midwest, and in California, notably north of San Francisco.

## LITERATURE REVIEW

An artisan cheese producer has four primary options for selling cheese: a retail outlet at the point of production, a farmers' market, a website, or a retail store owned by someone else. While specialty food retailers seem not to have been much studied, farmers' markets have.

Farmers' markets are a growing phenomenon in the US and elsewhere. In 2005 US consumers spent $1 billion shopping at 4,400 farmers' markets across the country (USDA 2006). In the UK, 30% of consumers report having shopped at a farmers' market (IGD 2002). Some (c.f., Hinrichs et al. 1998) have characterized this preference for local production as "Jeffersonian idealism," and argue that the perception of locally produced food being better, both ecologically and socially, is inaccurate (c.f., Born and Purcell 2006). Nevertheless, it is a growing movement.

While the original motivations for shopping at farmers' markets centered around price and food quality (Walton et al. 2002), today consumers purchase from farmers' markets for nutritional, social (Kalcik 1984), and personal reasons. Consumers seem to make the assumption that food sold at these markets is organic, that it has been raised in an agriculturally responsible manner, and therefore is better tasting and fresher than what they can purchase from a supermarket (Holloway and Kneafsey 2000; Lev and Stephenson 2001a, 2001b; Szmigin, Maddock and Carrigan 2003).

Social factors also come into play. Consumers report enjoying the interaction with producers and other consumers (Lev, Brewer and Stephenson 2003). They get to know the farmers and learn about how and where the food was produced. Consumers also interact with other consumers and may discover different uses for the produce (Archer et al. 2003). At the same time, consumers are acquiring stories about the food and about the producers that they can, in turn, tell to their families and friends (Greenberg 2006). These stories become part of the discourse and part of the consumption of the food stuffs. Finally, consumers come away from these interactions with their own positive feelings about supporting local producers (Youngs and Holden 2002). In all these ways, shopping at a farmers' market becomes a reflection of a consumer's own identity and an expression of one's values (Schaefer and Crane 2001).

Farmers' markets, however, tend to be a warm weather phenomenon. Because the products are fresh, the markets are inextricably tied to the agricultural cycles specific to a given region. There are some notable exceptions such as the Green Markets in New York City; but even there, the scope is much reduced in the colder months. Store-front retail outlets for artisan products, on the other hand, provide both producers and consumers a more permanent location. For producers, these retailers offer an opportunity to achieve wider exposure as well as assistance with the marketing efforts. For consumers, specialty retailers provide an outlet for satisfying the same set of needs and for having a similar set of experiences as otherwise provided by the farmers' markets. The primary difference is that instead of interacting with the producer of the products, the consumer is interacting with the retailer. The retailer, thus, becomes the surrogate for the farmer. And, in order to provide the desired experience, the retailer and the surrounding atmosphere must take on the critical elements of the farmers' market shopping experience, such as product quality and authenticity, product stories, social interactions and personal value affirmation. As noted in the introduction, the cheesemonger is a true intermediary as he or she mediates the exchange between the cheesemaker and the cheese consumer. Previous research suggests three ways in which the cheesemonger serves as a coach or trusted advisor.

First, the cheesemonger helps artisan cheese producers understand the realities of the market and also helps cheese consumers understand the realities of artisan production, such as seasonality. Goats, for example do not produce milk year-round; when cows are grazing in the pasture, their milk will take on a different color and flavor than in the winter when they are eating hay in the barn. The cheesemonger also works with cheesemakers to understand the importance of scale—in this case, of not over-producing and becoming too industrialized—and working with the cheese consumer to understand the value of variability in cheese—that variation from wheel to wheel is a desirable quality.

Second, the cheesemonger authenticates and guarantees the product (McCracken 2005). This is an important role, because artisan cheesemakers do not have the national marketing muscle of industrial cheese brands. Accordingly, cheese consumers need help in assessing the options: which ones are truly artisanal and which are counterfeit. In this way, the cheesemonger influences the "perceived genuineness" (Rose and Wood 2005) of the offerings. As Lewis and Bridger (2000) explain, "One cannot mass produce authenticity. Rather, it has to be introduced on an almost person-to-person basis, with individual needs, desires, expectations and interests being fully accounted for." (p. 198). In Beverland's work on perceived authenticity in high-end wines (2006), heritage and relationship to place were deemed strong indicators of products being the "real thing." A major role for the cheesemonger is to convey the pedigree and place of cheese for the consumer.

The claim of authenticity also requires trust. Morgan and Hunt (1994) advocated for the importance of trust in marketing relationships; the cheesemonger must likewise develop the trust of his/her customers. The consumer is no longer purchasing directly from the cheese producer, but rather from the producer's agent. The cheesemonger also takes on the traditional retail roles of assortment, merchandising, and the like. In performing each of these functions, s/he is making choices for the consumer and the consumer has to trust those decisions. Trust also comes into play when consumers try new and different cheeses at the monger's recommendation. The personal touch from a trusted advisor gives consumers the courage to try something new.

Third, the cheesemonger orchestrates the consumer's cheese experiences. Store décor, atmosphere, and layout, as well as the rituals between consumer and cheesemonger are all important. As Molotch (2003) explains, "The artistic–including the subtleties of detail–creates markets. …, the sensual makes people want things" (p. 62). Thus the way in which the cheeses are displayed and presented, the non-cheese products that also are offered, the signage, and even the store location all are critical elements under the cheesemonger's control. Creating the right setting enhances the consumer's willingness to try something new (King et al. 2007).

Further, artisan cheese is a high involvement product (Kupiec and Revell 2001) purchased by consumers who are on a quest for unique products and unique experiences (TASTE Council 2004) that help express their individuality (McCarthy, O'Reilly and Cronin 2001). At least initially, consumers are not familiar with the different artisan cheeses and depend on the cheesemonger and his/her staff for recommendations. Thus the level of individualized service also is an important component of the shopping experience.

Sampling is another important aspect of the cheese buying process (Reed 2003). Important, too, is the environment in which the sampling takes place: unhurried, friendly, low-pressure. Consumers are sampling not only the cheese itself but also the narratives about how and where the cheeses are made and by whom. This knowledge (about the maker, the process, and the origin of the cheese) leads to a perception of superior quality as well as to a higher level of satisfaction. Stefani, Romano and Cavicchi (2006) conclude that when consumers know the place or origin of food, they are willing to pay more for the product, but only if they can be assured that the product is authentic/genuine and that it is of high quality. The former attribute is provided by the cheesemonger and his/her retail store; the latter attribute is co-provided by the cheesemonger and customer via the rituals of tasting and storytelling.

These narratives and rituals also facilitate the movement of meaning from the cheese to the cheese consumer (McCracken 1991). As the cheesemonger tells stories about the cheese, s/he is transferring specialized knowledge to the consumer–who, in turn, may use this knowledge to convey insider status to friends and family via the retelling of the stories. The importance of telling the "cheese story" is an oft-repeated admonition in the literature about artisan cheese (c.f., Gloy and Stephenson 2006).

With these ideas as background, we set out to investigate further the cheese consumer-retailer interaction.

## METHODS

While the data gathering process was inextricably linked to the data analysis process, we have separated their respective descriptions for the readers' convenience.

### Data Gathering

Data gathering is ongoing for the project, but the data collection associated with this report took place from the fall of 2004

through early 2007. We began with a curiosity about why consumers would pay up to five times the price for this cheese versus more standard, mass-market cheeses (we observed that some cheeses approached $30 per pound). From there we quickly moved to a goal of developing expertise about artisan cheese making and consumption. Two of the authors had previously studied non-mass-market cheeses in France (Roberts and Micken 1996), so there was some initial familiarity with the category. We started this project by reading deeply from fictional and nonfictional accounts of high-end food sales and consumption, including regular food sections in newspapers (the *New York Times* Wednesday Food section, for example), specialty food trade publications, cheese-focused publications, and bulletins from state extension services. Then we began visiting and interviewing owners and managers of several cheese specialty stores in northeastern United States cities, including Boston, New York City, Philadelphia, and Providence. The visits included participant and nonparticipant observation of the buyer-seller interactions. We also took note of store layouts, décor, ambiance cues, staff, customer mix, and in particular, the cheeses (merchandise mix and merchandise layouts) offered for sale. If the stores had storage caves for *affinage*, or aging, we toured those.

Additionally, we also visited a prominent farmers' market in New York City, which featured ten artisan cheese vendors. We also visited several more casual summer markets that featured a number of regional producers. We visited and interviewed three cheesemakers onsite, two of whom had a small retail space as a part of their operations. We ate at cheese-themed restaurants and interviewed waiters and *maitre d's*. One of the authors attended a class on cheese and beer pairings. We videotaped many of these encounters, though not all of them. We took pictures of shops, consumers, retail staff, farm animals, the cheese making process, and the context of all things cheese as we made these data gathering visits. A prior paper reports our efforts at understanding online cheese retailers (Roberts, Micken and McKenzie 2006), and those findings informed this study as well. Less formally, we have become more self-conscious of our own cheese purchases and become more aware of cheese offerings in restaurants and in grocery stores.

Together, these exercises have yielded many hours of videotape, as well as some audio files, and several notebooks full of handwritten and word-processed field notes from our encounters. Additionally, we have a file full of artifacts, such as brand-imprinted serving napkins, business cards, cheese guidebooks purchased at the stores, and the like.

The following is a list of retailer settings we have analyzed for this study.

Data gathering trips to three artisan cheesemakers (Connecticut, Massachusetts, Utah), two of whom sold to consumers at their locations. Each of these visits lasted over two hours.

Data gathering trips to seven cheese specialty shops: Cambridge/Boston, NYC-3, Philadelphia-2, Providence, and Tiverton (RI). The Providence owner has become a "key informant," defined by Tremblay (1957, p 688) as one who is "interviewed intensively over an extensive period of time for the purpose of providing a relatively complete ethnographical description of the social and cultural patterns of their group." He has been nice enough to let us visit him on at least a half-dozen occasions. These shop trips have lasted from one-half hour to nearly three hours, depending on the investigational climate and the busyness of the store.

Data gathered at a cheese-pairing seminar.

Data gathered at two cheese-themed restaurants, including interviews of staff.

Data gathered at farmers' markets.

**Data Analysis**

Data gathering and analysis have been ongoing and iterative since the very beginning of the project. As the data set grew to include new types of data, or additional data of the same type, we incorporated that material into our understanding of artisan cheese. As one author would read something new or interesting related to expensive or interesting cheese or other foods, that reference was shared with the other authors. As our files grew fatter, we developed a working bibliography, with 31 pages of annotated entries. We took these early ideas with us as semi-structured questions to ask our first two retailer informants.

An early attempt at an empirical study was to content analyze a set of cheesemaker websites/online retailers published in *Saveur* magazine (2005). In that analysis, we employed traditional qualitative methods in addition to two computer programs (NVivo and Tinderbox), comparing and contrasting the results from the different analytical approaches. This yielded some early insight and competing models for how sellers make their cheeses more valuable, but did not help us with the consumer side of the equation.

As we delved more deeply into data about cheese consumption and marketing processes, and as the meanings in the data began to unfold, it occurred to us that the cheese retailer, and more particularly, the highly knowledgeable cheesemonger, holds the key to the mystique and the value of these artisan cheeses in the eyes and the wallets of the consumers. Our next round of analysis, then, included more data gathering specific to the model of the retailer as *cicerone*, or guide. In other words, our analysis led to another iteration–we sought to confirm an emerging model of the central role of the retailer/cheesemonger by conducting additional data gathering trips to retail outlets and through additional interviews. It is part of this data-derived model that we report on in the following sections.

## FINDINGS: CHEESEMONGER AS *CICERONE*

*Cicerone*: (ci·ce·ro·ne) 1 : a guide who conducts sightseers 2 : MENTOR, TUTOR *(Webster's American Dictionary)*.

The *Oxford English Dictionary* (2nd Edition, 1989) provides the following explanatory note for the origins of *cicerone*: "A guide who shows and explains the antiquities or curiosities of a place to strangers. (Apparently originally given to learned Italian antiquarians, whose services were sought by visitors seeking information about the antiquities of a place; subsequently usurped by the ordinary professional 'guide'.)"

Just as the oenophile learns the practices of the wine connoisseur's world with its swirl, sip, and spit activities, and its specialized vocabulary of "nose," "legs," or "mouth feel," and its heightened descriptions of "plumy," "oaky," or "undertones of cinnamon," the cheese aficionado inhabits a specialized world. The cheesemonger is often the guide to this world. This role is more crucial as a cheese provides more immediate gratification and it cannot be forgotten in one's basement with the expectation of reaching a peak some years in the future. What follows is a discussion of the many different examples of cheesemongers taking on the *cicerone* role that we encountered in the investigations and observations described in the Methods section above. We present these as our own "cheese narratives," and hope that the readers enjoy this tasting,

The leading cheese stores, at least in the Northeast, are located in traditional neighborhoods. They may have secondary stores in the more upscale, urban neighborhoods, as Murray's Cheese (NYC) has its Grand Central stand, DiBruno Brothers (Philadelphia) its Rittenhouse Square store, and Formaggio Kitchen, its South Boston expansion. The original stores, Murray's on the edge of Greenwhich Village, DiBrunos in the Italian Market, and Formaggio in Cambridge, are located in areas where many older families still live. Rent control in New York allows the remaining members of the World War II generation to continue to shop for their familiar items. The triple deckers and two family residences surrounding Formaggio allow the academic community walking access to the store. Even though Farmstead, in Providence, is a more recently founded store, it is located in a traditional shopping area, close by a residential apartment complex for the elderly. Farmstead still caters to the customer who comes once a week for "a half-pound of Black Diamond" (Cheddar) that she has purchased weekly in the neighborhood prior to Farmstead's replacing the previous "Cheese Shop," a store that stocked English food stuffs.

The significant departure from store bought cheeses is that artisan cheese shops will always cut cheese to order. While there might be some prewrapped smaller sections of a cheese, unless the cheese is a small wheel and the wrapping is integral to the cheese, the cheese buyer is never dissuaded from requesting a slice from a larger wheel. Many cheese shops will also wrap the fresh cut cheese for purchase in a more natural wrapping, such as butcher paper or waxed paper, rather than plastic. This is explained by the cheese needing to breathe; a plastic wrap suffocates the cheese. The cheese is also almost always cut as a single piece, with slices being rare, although some of the Wisconsin and Pennsylvania cheeses from square molds may be sliced.

A primary practice of cheese lovers is tasting cheese prior to a purchase. This is the cheese equivalent of wine tasting at a vineyard. To outsiders, it appears to be a ritual of the buying process. To the initiated, however, it is central to the experience. Unlike wine, where consistency from one bottle to the next of the same vintage is expected, cheeses by artisan manufacturers can vary from wheel to wheel. For many, this variation is celebrated because it often reflects the season of production, with the summer cheeses having a richer color and more grassy flavor for example. With some cheese, especially those with mixed milk of cows, goats, and sheep, the cheese will vary by the production cycles of the ruminant being milked. Tasting a cheese is so essential, that *Saveur* (April 2005, p. 75) notes: "Signs of a Good Cheese Shop #2–You can sample cheeses before you buy them."

Tasting cheese follows a similar pattern in most cheese shops. A small slice of cheese is presented on a knife or piece of paper. Sometimes, the cheesemonger will share in the tasting, remarking on the flavors. It is also not unusual for a tasting to be offered to another customer at the same time, although that is less frequent in the larger stores. One cheese store has a variation on the tasting presentation where the cheese is scrubbed with a dull knife, like a butter knife, to draw up a small ball on the knife end, which is then scraped against the buyer's finger. This process warms the cheese, thereby enhancing its flavors. It also increases the intimacy with the cheesemonger because the cheesemonger in this instance comes from behind the counter, bearing the wheel of cheese, and displays it more fully than if the consumer were watching the process from across a countertop.

Tasting a cheese usually involves a conversation with the cheesemonger. This is the chance for the cheesemonger to guide the buyer. (As one cheesemonger said, "You have to help people learn to love the things you love.") S/He may suggest a more pungent cheese, or a cheese with a different finish. The conversation may also develop into the expected uses for the cheese, either as a cheese board for a dinner, with different recommendations to follow a beef dinner as opposed to something lighter. Increasingly, cheesemongers are recommending accompaniments for the cheese itself, beyond wines or beers. Formaggio Kitchen is noted as much for its *confettura*, *mostarda* and *cotognata* which are different fruit based jams or paste condiments for cheese. A regional cheese maker has specifically marketed its cheese in combination with regional condiments and suggested means to serve and present the cheese.

The cheese cutting process is in full view of the customer. If one tastes the cheese, and approves, one generally purchases from the wheel one has tasted. Like the cheese tasting, cutting the cheese is often a collaboration between the purchaser and the cheesemonger. Commonly, the knife is laid against the cheese, with words "Is that it?" so that the purchaser approves the quantity.

While the cheese purchasing process develops as a conversation between the cheesemonger and the buyer, the cheese buyer's interactions with the cheesemonger begin prior to approaching the counter. The tradition in New England seems to be to present the "cheese wall" (see Figure 1). This is an edifice of cheese built on top of the cooler cases where other cheeses are kept. The cheese wall can extend well above the heads of the counter staff, obscuring them from direct view. The cheese wall not only allows more cheese to be displayed, but allows the harder cheeses to stay closer to room temperature, the better to judge them in a tasting.

The dizzying heights of some cheese walls does not end with the cheese itself, but is often surmounted by identifying tags. Unlike the simple tags of a botanical garden that would list a common name and Latin specification, these cards are stories in themselves. Most often, they are handwritten, sometimes ornamented with little sketches or perhaps a flag (see Figure 2). The text usually names the cheese, describes a more familiar family of cheeses, then identifies the cheese uniquely, often employing story-like vignettes that tell of the cheesemaker and his/her methods. Usually only the cheesemonger or a trusted employee is allowed to write these tags. Our key informant told us that, "I still do most of the signs. I'm kinda anal about this. I want to keep the hand-crafted look."

## DISCUSSION

Consumers can now draw upon a dizzying range of considerations, as ethical, ecological and health issues are brought to bear upon product choices. Is this product safe? How was it produced, and who by? And, of course, these questions complicate a more fundamental one–what does buying this say about me? Signifiers of social status and personal identity are more complex and nuanced ... and more almost universally considered in everyday consumption (Willmott and Nelson 2005, p. 105).

In the end, it is clear that the cheesemonger, in explaining the processes, characteristics, and potential uses of specialized cheeses, is performing an essential function for both the cheese producer and the cheese consumer. The cheesemonger's *cicerone* role is an especially important one in an economy teeming with choices and in a society of consumers seeking to fulfill not only functional needs but hedonic ones as well. The cheesemonger and his/her shop are repositories of specialized information and stories that seem ideally suited for twenty-first century "foodies," who tend to be both variety seekers and information junkies (Becker and Wright 2006). The telling of cheese stories accompanied by personalized tasting rituals conducted by the trusted cheesemonger in a carefully staged setting combine to make the cheese buying experience nigh irresistible to the consumer.

There is an interesting parallel in another specialty agricultural product: wine. Oenophiles have publications such as the *Wine Enthusiast* and critics such as Robert M. Parker, Jr. (and his own

FIGURE 1



FIGURE 2

newsletter the *Wine Advocate*) to serve as guides. Parker has been particularly influential. His role has been to demystify wine for a public unsure of trusting their local liquor salesman or other writers suspected of being industry insiders. Through telling stories about vintners and their wineries and by providing his own opinions, he has influenced wine preferences and production on a global scale. In fact, his ratings are now suspected of driving the wine industry to adapt their products to match his palate (McCoy 2006). The cheesemonger, who operates on a much smaller scale with a more fragile product, provides a similar mediating role between the consumer and producer. The cheesemonger explains the cheese to the consumer and the provides consumer's response to the cheesemaker, possibly influencing future production.

McCracken (2005) suggests that marketers are just beginning to understand the full extent of the retailer's role in making meaning. Perhaps the close relationship between the cheese producer and the cheesemonger as well as the cheesemonger's role as *cicerone*–guide, raconteur, and authenticator–may make for an analytical scheme that helps uncover the ways in which consumer-retailer interactions co-create meaning in other specialty food areas as well. Understanding the deeper relationship between the retailer and the producer and the feedback loop may also help uncover the growth of the network around artisanal and authentic foodstuffs.

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# Drunk and (Dis) Orderly: The Role of Alcohol in Supporting Liminality

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## ABSTRACT

This paper examines the use of alcohol consumption to provide support for students during transitions at a key liminal stage. We explore some of the positive experiences and rituals surrounding alcohol consumption via student-led focus groups. Our findings suggest that this extended period of liminality is often experienced positively, lending students 'permission' to behave in ways they might otherwise consider unacceptable. Liminality helps us to understand this context of students 'betwixt and between' different important life stages, whereby alcohol assumes an important facilitating role enabling them to play with their identity.

## INTRODUCTION

This paper examines the use of alcohol consumption by young people to provide support during transitions at a key liminal stage. We explore some of the positive experiences and outcomes that young people associate with alcohol, seeking to understand why many younger consumers continue to drink heavily, despite widespread publicity regarding the detrimental effects of alcohol consumption. Specifically we examine the rituals that surround the consumption of alcohol, to help forge an understanding of young peoples' relationship with alcohol. After some initial background and a review of the literature we develop our conceptualization, which focuses on alcohol's role in supporting the liminal transition experienced by higher education students.

## BACKGROUND

Excessive alcohol consumption, or 'binge drinking' is identified as a worrying trend in Britain (Plant and Plant, 2006), and the tendency to drink excessively is an accepted (and even expected) norm within student culture in some parts of the world (see for example Webb et al 1996 and Piacentini and Banister, 2006; [UK]; Wechsler et al 1994 and Treise et al, 1999 [US]). A plethora of studies have considered the circumstances around, and motivations for, excessive alcohol consumption. These studies tend to focus on two distinct sets of motivations driving alcohol consumption. Firstly, the extent to which alcohol facilitates socialization and enjoyment, particularly for young people (Darian, 1993; Lui and Kaplan, 1996; Pavis et al., 1997) and the contribution of rituals to these social effects (Beccaria and Sande 2003). Secondly, studies focus on the personal benefits associated with drinking, such as asserting gender identity, mood alteration, coping with personal problems, dealing with stress and relieving boredom (Darian, 1993; Lui and Kaplan, 1996; Pavis et al., 1997; Thom and Francome, 2001). A recent focus has been the attempt to more successfully 'enter' the social worlds of young people and students and identify the role that alcohol plays in constructing these social worlds (see for example Treise et al., 1999; Measham, 2004a; Banister and Piacentini, 2006).

Our study focuses on the alcohol consumption of Higher Education students. As part of our effort to identify why alcohol consumption is so high within this group, and is perceived as playing such a significant role in the student experience, we seek to identify what it is about the Higher Education experience (in the UK) that makes it a different, even unique, life stage. Taking our starting point from Noble and Walker (1997) who explored the liminal experience of the transition from high school to college, and

the facilitating role of symbolic consumption, we argue that university undergraduate students occupy an ambiguous transitional position. This paper focuses on the role that alcohol (and its surrounding rituals) plays in supporting this position/transition and experience.

## CONCEPTUAL FOUNDATIONS

### Transitions to early adulthood

According to George (1993: 360), entry to early adulthood is characterized by the three key transitions of: leaving school, first full-time job and first marriage/establishing a family. For students, the exit transition represented by 'leaving school' often accompanies the entry role of 'becoming a student', the corollary of which, for many, is leaving the parental or family home.[1] 'Becoming a student' is therefore a point at which many assume the responsibilities associated with setting up their own home. In addition, most arrive at university aged 18, and are legally adults, with rights to vote, drink alcohol, have sex and smoke cigarettes.

Although many young people experience a similar transitional period of being neither viewed by society as a child nor regarded as a fully-fledged adult (Arnett, 2007), it can be argued that the Higher Education system elongates this transitional period. Students experience the 'freedoms' of adulthood yet within a protected environment, receiving guidance from more experienced adults as authority figures (such as university housing and administrative staff). Societal and cultural expectations about student life compound this effect, where students play to expectations about typical student behavior (Banister and Piacentini, 2006). The position of students is ambiguous, they occupy a space 'betwixt and between' childhood and adulthood. Although transitions are by definition discrete and bounded in duration (George 1993, p.358), this paper will develop the point that many students see this time as an elongated liminal period of 'delayed adulthood', and alcohol assumes a key role.

### Alcohol consumption as ritualistic behavior

Past research identifies the extent to which drinking alcohol can be located as a ritualistic behavior. Rook (1985) identifies four ritual components that are normally associated with rituals and Treise et al (1999) apply these to the context of alcohol consumption, as follows: "Drinking requires an artifact (the alcohol itself), a script (rules about who can and cannot drink legally, when and where the drinking will occur, agreements about transportation to and from the places where drinking occurs), a performance role (how to drink, how many drinks to consume, how to behave while drinking), and an audience (peers, bartenders, campus personnel)" (p. 19). Breaking down rituals into their component parts can encourage a broader view of the consumption of alcohol, a view that incorporates an exploration of the behaviors and contexts that accompany its consumption.

Another approach to understanding rituals is provided by Driver (1991), who views rituals as 'social gifts', serving three main

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[1] In the UK, many UG students choose to live away from the family home, and for the vast majority this is the first time they have done so.

functions. Firstly, Driver sees *reinforcement* and in some cases the *creation* of social order as one of the more obvious functions of rituals. He suggests rituals function as a means by which to mark times and spaces, symbolizing realities, to represent a structured world. In the context of alcohol, Measham (2004a, p.319) describes "calculated hedonism" as operating within the boundaries of time (typically the weekend), space (club, bar etc), company (supportive friends) and intensity. Banister and Piacentini (2006) argue these boundaries become temporarily blurred or alternative in the case of Higher Education students. Students have different requirements on their time (which cannot be as neatly compartmentalized as for many other sectors of the population), a range of (social) spaces specifically targeting their leisure time (mostly involving alcohol), and are surrounded by other young people.

The other aspect to the provision of order is in a more utilitarian or factitive way, whereby the product (in this case alcohol) can cause things to happen, representing "leisure time out" (Measham and Brain 2005, p.267) from the busy lives of modern day consumers, essentially a "controlled loss of control" (Measham 2004b, p.338). In contrast to any potential ordering functions of rituals, Driver (1991) argues that rituals can also have an opposite effect in that they can *disorder* and refashion the way in which life is lived. For university students, a significant proportion of their time is very structured and ordered around academic and, increasingly, part time paid work. In contrast, their 'own' time perhaps allows them the opportunity to lead more disordered lives, representing a break from the norm, and this is where alcohol could play an important role.

The second social gift Driver suggests draws on Turner's (1969) work on communitas and liminality. He develops the theme that rituals are important for the experience of community. In the student context, liminality is characterized by destructuring in relation to what Turner calls the social structure. So, while ritualized liminality structures are employed, they are different from the usual structures of society and "are often utilized to emphasize homogeneity, equality, anonymity and foolishness" providing an alternative sense of social order, resulting in 'disordered order'. The third social gift identified by Driver is that of transformation which assists in the dynamic of social change through the ritual processes of transformation. Alcohol clearly has an innate transformative power (you may get drunk) but it also offers a mechanism or opportunity for change. The transformative power of rituals, the idea of changing 'states' and the extent to which the enactment of rituals can place participants in new social situations, is central to our understanding of students' alcohol consumption.

Tucker (2005) further argues that traditionally the ritual of alcohol consumption served to establish social order in a community, via the symbolic meanings associated with pubs and alcohol and associated culturally approved patterns of behavior. However, the contemporary "unrestrained drinking" of the type primarily associated with the young does not fit well with this model, Tucker (2005) instead suggests a ritual model based on liminality as more appropriate. Liminality, in the sense of freedom from 'normal codes of behavior', is fitting from both the consumer (student) side but also from the industry angle in terms of the style of drinking it facilitates. The liminal drinking place is valued as an escape; its very attraction is its position as *"an escape from the pressures and constraints of normal life"* (Tucker 2005: 11).

**Conceptualization: Alcohol's role in supporting students in liminal transition**

Our conceptualization draws on Van Gennep's (1960 [1909]) framework of rites of passage, involving three stages: separation; transition (liminal period); and aggregation or (re)incorporation. We focus on the liminal phase, where individuals find themselves between two different role statuses, but not firmly grounded in either; that is, they are "betwixt and between stages" (Van Gennep 1960) and their identity is suspended. At such times, consumers undergo intense experiences with different norms and characteristics from their regular (prior) pattern of social organization, often creating personal rites of passage facilitating the transformation to their new concept of self. The liminal period is therefore characterized by role ambiguity whilst individuals attempt to refashion themselves into new roles.

Noble and Walker (1997) examine the transition from high school to college student and develop a framework which provides a useful organizing structure for our context (see Figure 1). According to Noble and Walker (1997), the liminal transition begins with the separation stage, triggered by some external event, and resulting in detachment from a prior role. Following this, the person enters an ambiguous stage where they begin the search for a new self or new role. Finally, the tension between old and new roles becomes reduced and the person settles into a state of improved well-being. Noble and Walker (1997) identify the way in which symbolic forms of consumption support the process of change and the relative emerging stability.

The concept of liminal transitions has already been successfully applied to an alcohol consumption setting. Research in social anthropology focuses on the role of alcohol (and intoxication) in the Norwegian Russefeiring celebration, a 17-day transition ritual marking the passage from high school student to adulthood (Sande 2002). Developing this further, Beccaria and Sande (2003) suggest that alcohol and intoxication can reflect a separation from previous identity, social structures and categories: "An intoxicated person is a liminal person in the process of transformation and transition outside the normal order of the society" (p.102). Building on these Norwegian studies it can be argued that alcohol can be relevant throughout what is a fairly long and drawn out period as young people take on a new, yet temporary, position (studenthood) on their path to 'adulthood proper'. We can call this period of transition 'delayed adulthood', with liminality marking *separation* from the old role (school student) and the assumption of a new temporary role (studenthood), which exists outside the 'normal order of society' (see Figure 1). We therefore argue that during this *prolonged* period of liminality (cf. Sande 2002), many university students use alcohol as a principle means by which to detach from their old role (as school pupil). Studenthood itself represents a period of liminality, with students occupying an ambiguous phase–'betwixt and between' childhood and adulthood. For many students, their final year of study marks the onset of preparations for aggregation (reflecting 'adulthood proper') as their lives become increasingly focused on academic and career goals.

## RESEARCH DESIGN

Our research was based in a campus university in the North West of England. We employed researchers from the students' immediate peer group in order to get closer to their culture, and to minimize the effect of academic researchers being experienced as authority figures, a particular issue for this research given the central issue of 'delayed adulthood'. Five undergraduate second year student researchers were recruited on the basis of their competence on a marketing research module. Second year student researchers were recruited, specifically, as they themselves are in the midst of the liminal period (in contrast with first years who are perhaps still experiencing separation and final year students moving towards aggregation).

**FIGURE 1**
Alcohol's role in supporting a liminal transition
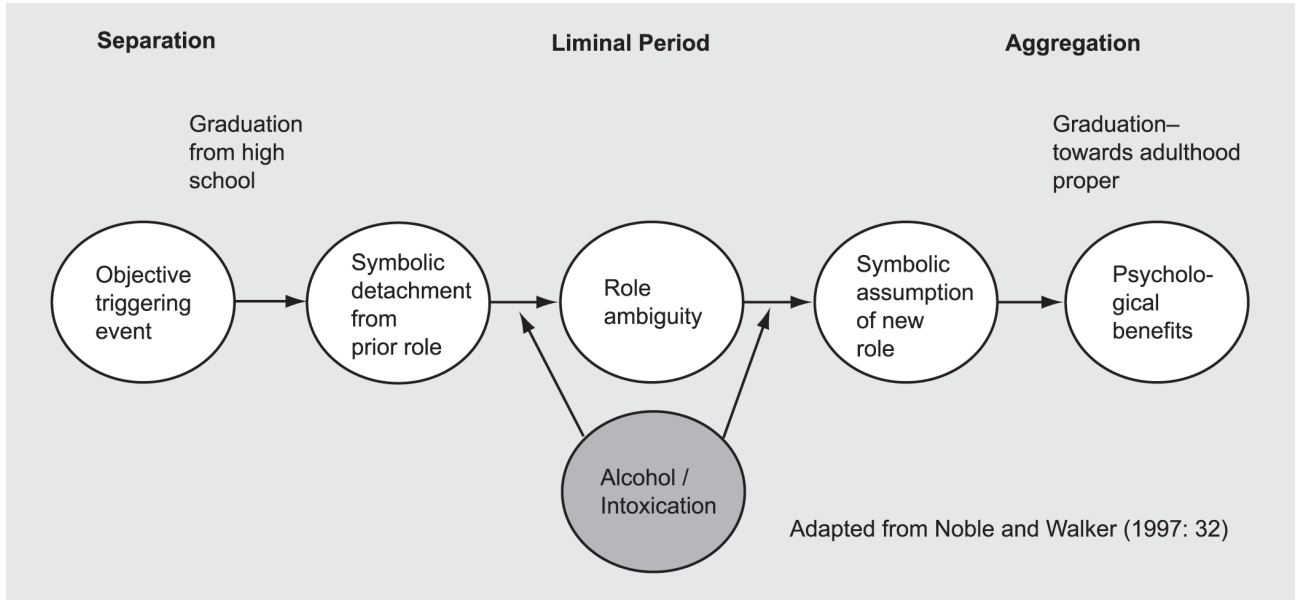


**TABLE 1**
Focus group participants [age & course of study[1]]

| Group 1 (Carl) | Group 2 (Des) | Group 3 (Leanne) | Group 4 (Mark) | Group 5 (Hayley) |
|---|---|---|---|---|
| Ryan 19, Sociology<br>Sarah 19, Sociology<br>Justin 19, Management<br>Dennis 19, Management<br>Tina 19, History<br>Laura 19, English Lit | Harry 19, History<br>Rhys 20, Mkting<br>Brian 20, Politics<br>Luke 21 [3rd yr] Information Systems and Communications | Claire 19, Geography & Biology<br>Dennis 21, Biology<br>Anna 20, Psychology<br>Alison 20, Music<br>Lisa 19, Criminology | Jake 19, Management<br>Jason 19, Bus Studies<br>Vicky 19, Bus Stud/ Maths<br>Chris 19, Management<br>Peter 20, Computer Science<br>John 20, History/ Politics<br>Des 20, Environmental Science & Chemistry | Joe 19, History<br>Rick 20, Culture Media & Communications<br>Penny 19, Geography.<br>Suzy 20, Geography<br>Melanie 20, Education Studies |

All participants were second year undergraduates except where indicated (i.e. 1 student).

The student researchers were invited to a training session, where an iterative approach (initiated by the authors but involving the students) was employed to design the focus group guide. The student researchers were asked to recruit participants from their friendship groups for a discussion about alcohol consumption and students' social lives whilst at university. Selection was solely on the basis of friendship groups, irrespective of gender, age or alcohol behavior. The discussions lasted between 1 and 1.5 hours. The researchers received a payment for their part in the research (including transcription costs). Consent forms were issued and retained by our researchers in order to grant anonymity to participants. Participants' names were changed within the transcripts. Table 1 provides key participant information.

Our student-led focus groups undoubtedly broadened the scope of our findings—i.e. with discussion of subject matter that might otherwise be considered illicit and unwise to discuss with academic staff. However, there were limitations associated with this method of data collection and recruitment for the study. Firstly while our student researchers collected data that was ultimately deemed useful, there were times when a more experienced re-

searcher could (and would) have delved deeper into certain issues. Our researchers did not always possess the relevant techniques or were not always as familiar with the (potential) research foci to fully appreciate the importance of some lines of discussion. In addition we should identify the possible negative effects of the method of recruitment–the student researchers' friendship groups. Again this was likely to widen the scope of findings in the sense that the context would have seemed more natural and therefore conducive to discussion. However, any situation like this—and in particular when participants are 'known' to each other—introduces the likelihood of elements of social desirability. At times the moderator (i.e. the student researcher) provided a check on this, but it is clear that this would also have affected the quality of the data.

The data was analyzed inductively, by the two academic researchers, through a process of initially reading and rereading all the transcripts. Our starting point was to attempt understanding of what it was about the student context that encouraged high levels of alcohol consumption. Despite this primarily inductive approach our analysis was also, of course, informed by academic literature with which we were familiar. The two authors independently

identified the key themes and patterns, which emerged from the data. Insights were then compared and alternative explanations sought, and these informed the development of our conceptualization, as well as the more detailed discussion that follows.

## FINDINGS

The concept of liminality as an overall (dis)organizing structure, as presented in Figure 1, provides the starting point for the presentation of our findings. Our empirical data highlights the extent to which alcohol consumption and the associated intoxication can provide a means for students to assume and cement their new student role and attain the social and psychological benefits that alcohol consumption can bring (as described in Darian 1993; Pavis et al 1997; Webb et al 1996). Alcohol consumption provides many of our participants with a means to accept and revel in the ambiguity associated with their position as students or 'delayed adults'. Central to this is the implicit understanding that engaging in excessive alcohol consumption is a temporary state, which will necessarily end on reaching 'adulthood proper' with the assumption of additional responsibilities this entails. Our overall finding is therefore in keeping with previous research-that alcohol functions as a tool of social facilitation for young people (e.g. Pavis et al 1997; Webb et al 1996). However, through gaining a more refined understanding of the unique context in which young people find themselves, we develop analysis themes that facilitate understanding of why this is so, and in turn explain why it has been so difficult for parents, teachers, government, health and support workers to suggest alternative means of social facilitation to discourage the excessive consumption of alcohol.

### Liminality–betwixt and between…. delayed adulthood

Our first theme focuses on the concept of liminality itself. Students occupy a unique position as 'betwixt and between' childhood and adulthood, reflecting a status which we suggest represents a form of delayed adulthood. While being allowed a degree of autonomy, students still exist within a context where considerable authority is exerted by 'adults' (lecturers, university support staff, porters, landlords etc). Students are expected to conform to certain ideals—attending lectures, submitting coursework, performing at an 'acceptable' level in their studies—and behave in a manner that fits with the organizing structure. The two sides to university life are identified by Vicky, *"I think uni is split into two, you have your friends and stuff and you have your academic stuff."* This immediately suggests a dual purpose of university that is widely held, this sense that you go to university to be educated and to achieve a degree but that it also serves a very important social function: *"your friends and stuff"*.

Participants recognize their unique 'not yet adult' status and there is very much a feeling of the need to make the most of it–to enjoy what is left of their youth. Much discussion suggests that heavy drinking will cease once students graduate and leave university (aggregation), with one participant even referring to his liminal status.

> *Dennis: When I grow up I know I won't be [drinking heavily], uni is the time now for me to be drinking*
> *Suzy: I think it's an important part of uni.*
> *Melanie: And I'm sure we'll slow down when we are older*
> *Penny: I don't know, to me drinking is an important part of uni but I think when I'm older it will be just as important.*
> *Rick: Yeah! I think so too…*
> *Penny: I can't see myself going out and getting drunk.*
> *Suzy: It's expected of you almost at uni. You are expected to be drunk!*

Here Penny and Rick disagree with the original suggestion that alcohol consumption will slow down with age. (Penny: *"…when I'm older it will be just as important"*). However, she then backtracks slightly suggesting that although she will drink, the role of alcohol will have changed considerably. Many of our participants in other discussions suggest that on leaving university they will be more likely to drink alcohol in the manner of their parents–for example with meals and in lesser quantities. This suggests that they consider the responsibilities of university (e.g. developing their academic knowledge and perhaps a part time job) can be more easily combined with alcohol consumption than the demands of a full time *career* job, which they hope for post-university.

We find that alcohol provides a means for students to 'let off steam' and demonstrate the autonomy they enjoy once they leave the confines of the lecture theatre, i.e. with alcohol effectively marking time and (social) space (Driver 1991). At its most obvious, this is demonstrated by a wish to get as drunk as possible. On the occasions our participants drink alcohol, it is usually with the sole intention of getting drunk.

> *Justin: I don't see the point personally of going out and [only] having a couple of drinks*
> *Ryan: Yeah, see all or nothing*
> *Justin: Yeah I wouldn't go out and have two or three pints and come home and go to bed*

This *"all or nothing"* type attitude is common amongst our participants. The sense is given that having just a few drinks is a 'waste' you wouldn't have achieved anything (i.e. got drunk or achieved liminality in the sense discussed by Beccaria and Sande 2003) so why would you bother to drink at all. This could partly be explained by the extent to which cost is clearly a consideration for our participants. Limited financial resources is not a characteristic unique to students in Higher Education but it marks them out from many other young people living away from home. Participants continuously discuss the cost of drinks, and the challenge seems to be that of maximizing expenditure in order to achieve the 'best' result. This represents a kind of cost-benefit analysis, where limited funds are used to achieve the best tangible results (drunkenness). The units per bottle are used not to moderate drinking but to help our participants achieve their 'purpose' of getting drunk. Some participants went as far as to remark that if intoxication is not the aim, there is little point in drinking anything.

> *Rhys: If you don't want to drink, then you shouldn't drink at all. If you think about it, you go into a pub, you drink three pints, that's six quid on average, and unless you're Ben, three pints isn't going to get you pissed, so there's no point in drinking. Then you just need a wee….*

Our participants use (excessive) alcohol consumption to build ties within their own particular communitas, which consist of other undergraduate students. This contrasts with Noble and Walker's (1996) findings whereby symbolic possessions fill the void of communitas as opposed to helping create and develop them. At the same time, excessive alcohol consumption serves to build, maintain and accentuate students' separateness from other populations, for example older people or other young non-student adults.

### Alcohol rituals to support liminality

It is our intention to locate our participants' drinking behavior within their own shared-culture. It might be more accurate to speak of shared culture*s* as it became evident that each (focus) group of friends has their own key ritual scripts and performances that

involve alcohol. For some, these provide rites of passage, marking entrance (initiation) into particular friendship groups. These ritualistic activities were sometimes explained 'to the tape', recognition of the need to offer explanations of their behavior and rituals to outsiders of the group. This demonstrates the extent to which our participants (including the student researchers) see themselves as a somewhat exclusive group, utilizing unique practices and rituals, which could be unfamiliar to 'outsiders' of their sub-group within the student culture

For many of these rituals, alcohol provides the key ritual artifact as Treise et al, (1999) suggest-particularly in the case of drinking games and initiation rituals. However, in other cases alcohol provides an organizing ritual in the sense that without alcohol there would be no ritual, but it is certainly not an end in itself, a point that we shall return to. Ritualistic drinking games are discussed whereby the forfeit typically involves drinking copious amounts of alcohol. Sometimes this would revolve around a particular drink, such as absinthe (because of its very high alcohol content), or a mixture of sprits:

> Rhys: ... a 'dirty pint' is where you have a pint full of spirits. Think about downing a pint of spirits, you aren't going to be well afterwards.
> Harry: The alcohol is worth about £25. Literally you've got to accept that you will be sick when you do a dirty pint. You drink it, raise your glass to the crowd then go to the bathroom and then just vomit like a bastard

Other participants discuss 'initiation' practices that are specific to their social group.

> Brian: We were playing a drinking game of darts and it involved pretty much everyone every few minutes downing either a shot of absinthe or whisky. And we were drinking beer at the same time. We drank a lot. And a few days afterwards my head felt genuinely not right, I was genuinely worried and other people that were there said the same thing. For a few days my head really wasn't in the right place

The discussions suggest these practices to be a fairly masculine activity. While the female members of the groups seem to be knowledgeable about the particulars of these practices, they do not acknowledge participating. It seems these rituals are something to participate in and endure, but not necessarily something to enjoy. One of our groups revealed they had built a piece of equipment (the Beer Bong) and written a song, which were key artifacts for their ritual practices, adding to the mystique associated with the ritual (and also perhaps the separateness it helped achieve). These particular rituals not only set friendship groups apart from non-students but also apart from other students who are not part of the group and therefore not party to these particular rituals. For these activities, alcohol is clearly an essential element–without the alcohol there would be no ritual.

> Carl: What kind of part does alcohol usually play in these types of situations?
> Ryan: Erm every part really
> Justin: Yeah
> Dennis: It is the part (laughs)
> Ryan: I think it's quite funny that there's this PC thing now where like pubs and there like "we don't serve you to get drunk we serve drinks we don't serve drunks" (laughs)....it's just pathetic cos it's not what they're there for

> Laura: Yeah
> Ryan: To get everyone drunk and it's rammed down your throat that if you drink then you'll have a good time if you don't you'll go home

However, in addition to these ritualistic activities where alcohol is clearly *the* essential artifact, there are also stories of activities that *surround* alcohol consumption. Here the focus is less on the consumption of alcohol but on ritualistic activities which initially appear to be peripheral but emerge as central. These activities often revolve around pre-and post night out activities, which—particularly for female participants—seem to be an important aspect of the drinking occasion and also function as a bonding activity, providing key aspects of group membership. Female participants talk about preparing to go out as a very structured and organized activity in order to allow sufficient time for everyone to use the bathroom. Some female students mention what they term the 'fashion parade' as key preparation for the night-indicating their wish to involve friends in decisions about dress and appearance.

> Penny: [laughing] Started getting ready about three hours before we went out. Took me 40 mins to have a shower, shave and wash and dry my hair! Didn't have a clue what to wear so everyone is like a panel and they have to judge, and if they can't make a decision we don't get out any quicker! There's a lot of enjoyment in getting ready though, I quite like it, it kind of prolongs the evening…
> Hayley: I like getting ready, especially when you are with your friends and you are doing your make up or something.
> Penny: Get your music on and you might have a drink before hand!
> Rick: It's an operation!

However, this 'operation' is not a key ritual for the males.

> Joe: Err yeah, usually takes about two minutes to decide what I want to wear! Ten minutes to have a shower and five minutes to do my hair and that's about it! Listen to some music beforehand to get me in the mood.
> Rick: The nights that we go out, we tend to just go with the flow.

Related to this are the post-night-out rituals, which involve discussing the previous night's proceedings (and eating 'hangover' foods). These rituals are a key theme in all the groups and involve both male and female participants.

> Claire: We have one [discussion of the previous night] in the bedrooms in the morning don't we? Where everyone will go into someone's bedroom and sit on the bed and chat about what we did the night before

Similar to the pre-night rituals, these post-night out discussions provide a key marker of friendship groups, and function as a key bonding activity for the students involved. These are partly facilitated by the fact that second year students (our focus here) tend to live out of campus in shared accommodation within their friendship groups. This is a clear element of socializing that might differ significantly with other young people of a similar age–they might be deprived of the opportunity to develop these post-night out rituals in the same manner.

For all of the cases discussed above—whether *pre*, *post* or *during* nights out—alcohol represents an important aspect of the activities yet it is not always the central ritual artifact, in fact it sometimes took on a more peripheral role. These rituals can

illustrate the application of Rook's (1985) ritual components, but it is perhaps simplistic and even counter-productive to view alcohol as always *the* central ritual artifact (see Treise et al., 1999). Alcohol could more usefully be viewed as a *facilitator* for many of these rituals in the sense that while many of these rituals would not take place if alcohol is not involved, the performance roles and the manner in which these roles interact with the audience (students, peers) are perhaps more important. We would not go as far as to say that alcohol could be easily substituted with something else, but an alternative focus could possibly be found in some situations. Students' limited resources and their liminal state (and perhaps young peoples' generally) could mean alcohol provides the easiest or most accessible focus.

### Studenthood as a permission to binge?

During this liminal state, the very nature of 'being a student' is seen as providing support for excessive alcohol consumption. For our students there is a strong sense that they are fulfilling society's expectations of them as students. This reinforces their sense of being betwixt and between (childhood and adulthood), living away from adult authority yet without the expectations (responsibilities) that usually accompany adulthood. Many of our participants talk about the "uni experience", with student life seen as *the time* in your life to have fun and to party and, for many, drinking alcohol is viewed as a vital ingredient of this mix. Participants discuss 'making the most' of university, necessitating a full social life and the freedom which accompanies this period of liminality.

> Lisa: …… I don't think you would have the proper uni life if you didn't drink
>
> Vicky: When you subscribe to uni, part of the course is going out and getting pissed with your mates
>
> Ryan: The thing is you're only gonna be at university for three years, or four years for some people, and for those three years it's an experience you gotta.. I mean I wouldn't want to like to like look back and say at university I had a proper flat time like and it was shit

The other side of this general expectation regarding the role of alcohol in students' lives is evident in the generally negative experiences reported when students choose not to drink on social nights out. These negative experiences are primarily associated with the fact that as the majority of students do drink, those students abstaining are perceived to be different to their drinking peers. The following extract summarizes many of the issues: not enjoying the night because everyone else is drunk; a heightened (self) awareness that accompanies being sober; having to assume responsibility for drunken others' safety/well-being.

> Ryan: I actually went in a nightclub when I hadn't drunk before it was really crap [everyone signals agreement]
>
> Justin: ….Because you notice how…you notice how dodgy all the clubs are and how minging everything is [everyone nodding in agreement]
>
> Tina: And the sleazy sorts of people that are there
>
> Justin: Yeah you just notice more and things you don't normally see basically when you're sober
>
> Laura: And also when everyone else is drunk and they all seem to be having a really good time and you just want to be in that place, yeah
>
> Tina: Also when you have to, you have more responsibility then 'cause you're not drinking, 'cause when I went out it was someone's birthday and he got absolutely wrecked and everyone looked to me to look after him and it was

> just like hang on this is not my fucking problem and he was trashed and, yeah, anyway not something you want to do anyway

As well as this sense that students have general permission—or are expected—to drink more than the general public, there also seems to be an assumption that certain segments within the student group will drink in excess of the general student group. A clear example of this is the 'hard drinking' that is associated with sports teams.

> Melanie: When you [Hayley] and I went on hockey tour, they introduced us to a whole new culture of 'Drink fresher drink now and once you've finished that get another one and down that too!' Down it, down it, down it and then you got into the swing of drink down, drink down. And now 'cause we enjoy going out and dancing and now its like down it quickly 'cause you can't take the bottles onto the dance floor and then once you've had enough of that its get another drink and down that one and go dancing again.

The very nature of 'being a student', relating to the structures (or perceived lack of structures) surrounding studenthood and the expectations of others, serves to create the opportunity and accompanying expectations for students to drink excessively.

### Having a good story to tell… the student narrative

Linked with the 'need' to have a good social life at university was the importance of having a good story to tell. These stories demonstrate that the 'fun' associated with being a student does not solely concern the social scene but also the accompanying narratives, which have the function of communicating that 'fun'. During the discussion groups, a number of stories emerge which revolve around piecing together elements from a night out, usually culminating in something slightly shocking or embarrassing, an incident which is invariably linked with excessive alcohol consumption. Often these stories are known by other members of the group, who contribute additional details as the stories unfold, suggesting the stories have been relayed several times before.

> Carl: What happened was we like went to Toast and then erm you two were there then I went off from you two and I had no money, so I bummed a taxi with some girls I didn't know and then like went back to theirs and carried on drinking, and at about three I thought ahhhh man I'm gonna be sick I don't wanna be sick in front of strangers so I left and then…
>
> Laura: Or on strangers
>
> Carl: Yeah yeah I left and walked for like ten meters and I didn't know where I was so I just thought I know what I'll do I'll nap [Sarah laughs] and when I wake up I'll be more focused, so I went asleep two hours later
>
> Sarah: On the floor?
>
> Carl: Yeah
>
> Laura: On the floor on the path
>
> Carl: Just in a T-shirt and jeans, bloke comes up to me[and] goes 'you alright mate you've been asleep on the path for two hours' ….

In the examples we encountered, stories were shared as part of the post-night-out discussions ritual with the 'good story' enhancing the consumption experience itself. The stories provide an inclusive and exclusive function in the sense that they include

others who perhaps had not been present in the night's proceedings, but could also serve to alienate students without similar experiences to relate. They also function as shared histories, evidence of the good times that groups of friends have had together–demonstrating that they have 'made the most of' their time while at University.

## DISCUSSION AND CONCLUDING REMARKS

In post-industrial societies the transition to adulthood has become increasingly long and drawn out, often lasting from the late teens to mid-twenties and beyond (Arnett 2007), and this study has focused on one group of people in this transitional phase. Consumption activities play a key role in addressing ambiguous, incongruous and unsatisfactory aspects of the self concept and in helping to achieve greater coherence in emergent identities as people undergo a liminal phase of transition (Schouten 1991). During emerging adulthood young people engage in consumption activities that permit them to test their own boundaries and sense of control and mastery over their situation (Gentry and Baker, 1995). As they start to take on adult roles and begin to explore possible adult identities, they are subject to critical experiences from which they learn about the potential for self-direction and control within specific environments. In this period of 'emerging adulthood' (Arnett, 2000; Cote, 2002), young people have the opportunity to explore potential identities without having to make permanent adult commitments (Erikson, 1968). Noble and Walker (1997) note that this period of liminality is characterized by a state of instability, of not knowing what lies ahead, and that at these transient points in their lives, people seek out (symbolic) activities and possessions to help them feel more grounded and stable (before assuming a new role, via aggregation). In contrast, our study demonstrates how alcohol can help students to make the most of their liminal phase, allowing them the possibility of reveling in the ambiguity of their transitional phase (cf. Beccaria and Sande 2003). Essentially our participants purposefully sought out the instability that comes with intoxication, reflecting "calculated hedonism" (Measham 2004b, p.343). Our study therefore suggests that in this context, an extended period of liminality, and the accompanying instability, could be experienced positively, in effect lending students 'permission' to behave in a way that might otherwise (paradoxically) be considered unacceptable or rebellious. For these students, the transition to adulthood is even more protracted, and alcohol is used as a marker of the delayed assumption of adult roles and responsibilities. However, it should be recognized that alcohol could be counter productive once students reconfigure their identity and begin preparations for the stability of aggregation (life and responsibilities post-university), where the emphasis is less on the fulfillment of the social expectations of university but rather on securing academic potential and identifying a future role/place in society.

Our findings suggest that alcohol effectively reflects and marks a separation between students' two very different lives whilst at university; the more serious, structured, academic life and the hedonistic, unstructured, social life, which is expected to accompany this, what Measham and Brain (2005, p.267) term "leisure time out". There is a sense that our participants are doing 'what [most] students do' (see Banister and Piacentini 2006), with the rituals associated with alcohol helping them to live their lives to the full and enjoy the chaos associated with liminality before knuckling down to the responsibilities that life after university will entail. As discussed by Tucker (2005), large drinks companies are playing to these kinds of (hedonistic) ritualistic roles of alcohol in the form of the provision of establishments that support the type of drinking which is being indulged in (encouraging consumers to 'go for it' and 'let loose'), whereby the establishment itself (open spaces, limited seating) reflects the disorder associated with unrestrained drinking.

The key challenge for policy makers seeking to encourage a change in behavior is to seek to identify other means by which students (and young people more generally) can fulfill their wish to let off steam and fulfill their social expectations. When Treise et al (1999) apply Rook's framework to alcohol consumption, they state that alcohol is "obviously the essential artifact in our context" (p. 21). There is, however, a danger of simplifying the broader picture and downplaying the importance of associated behaviors that surround alcohol consumption. In our study, alcohol clearly provides the focal point of the rituals associated with alcohol, yet it provides the *facilitator* for a range of rituals, experiences and behaviors, rather than necessarily being the central ritual artifact, and this could provide hope for policy advances and social marketing activities in this area. This is particularly pertinent following the concern about the rising drinking levels of young women. We suggest that it is not always alcohol itself that attracts women, and not even the experience of being intoxicated, but often the (pre) grooming and social rituals that surround alcohol consumption. This suggests that organizations attempting to seek out ways to help young women to resist excessive consumption need to investigate other means of facilitating these key rituals–ways that do not rely on the (excessive) consumption of alcohol.

From this exploratory research we hope to have made some progress towards understanding the context in which young people (students) consume alcohol and the role it plays for them. The concept of liminality can perhaps help us to understand this sense of students as 'betwixt and between' different important life stages whereby alcohol assumes an important facilitating role enabling them to indulge in 'identity play', and most importantly fit in with their peer group at what can be a challenging time. This concept of 'disordered order' is very fitting as for the majority of students their approach is very ordered, in the sense that they can talk about when it is appropriate—and not appropriate—to be drinking and they also have clear ideas about when they will stop drinking, or stop their excessive style of drinking (moving towards aggregation). Our participants are able to separate their excessive approach to alcohol consumption from those of problem drinkers as they rationalize their excessive consumption as 'time off' from otherwise ordered lives. In sociological terms, the students are behaving as would be expected, in that they are having what George (1993) describes as "less predictable transitions in their early adulthood" (p. 359). They, themselves, view their lives as becoming more predictable as they get older, with alcohol playing a less dominant role as they 'settle down' into the next stage in their lives. The extent to which they manage to achieve this would provide an interesting topic for future investigation. Research should also focus on different groups of consumers—particularly other consumers experiencing liminal stages (either short or prolonged)—and the extent to which this affects alcohol consumption. It would be particularly interesting to compare and contrast the experiences of university students with those young people who go straight from school/college into paid employment, and question whether this represents aggregation and 'adulthood proper' or whether they also exhibit a liminal stage and whether alcohol plays a role in this.

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# A Qualitative Approach for Conceptualizing Consumer Decision-Making in Online Auctions

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## ABSTRACT

This study adopts a qualitative approach for conceptualizing consumer decision-making in online auctions from the perspective of goal-directed behavior. The results of in-depth interviews indicate that consumers' decision-making in online auctions is different from traditional purchases in which perceived risks and risk relievers are critical to decisions and behaviors. Moreover, different motives for using online auctions and subsequent decision-making, such as risk handling, are observed. Males tend to be task-oriented, thus focusing on uncertainty reduction, while females are more hedonic-orientated and emphasize loss minimization. Implications and limitations stemming from the results are discussed for strategic planning and further empirical research.

## INTRODUCTION

Given the proliferation of online auction users, relevant issues have been drawing the attention of researchers. Conceptual and empirical evidence on bidding strategies and behaviors (Ariely and Simonson 2003; Stern and Stafford 2006) has advanced our understanding of consumer behavior in online auctions. However, the majority of previous studies have focused on how to enhance purchasing through pricing and control mechanisms (e.g., Johns and Zaichkowsky 2003), with little attention being paid to the relationships between motivations and subsequent behaviors. This fragmentary evidence has rarely been able to offer a comprehensive picture for understanding consumption decisions in online auctions.

The goal-driven perspective assumes that consumers' goals may be one of the important factors influencing their actions and has frequently been adopted to explain how consumers make purchase decisions (Huffman and Houston 1993). The "how" of consumer purchase decisions has been a critical issue within the domain of consumer behavior, but primarily in the context of traditional markets. Researchers have been examining whether or not this perspective can explain and predict consumption decisions in a different context, such as the Internet, but few robust conclusions have been drawn (Garbarino and Strahilevitz 2004; Miyazaki and Fernandez 2001). In particular, a linkage of the stages in the purchase decision-making process, from motivation and cognitive deliberation to taking action, is rarely explored, especially for online auctions. With the intent to bridge a gap in the literature, this study adopts the perspective of goal-directed behavior to examine consumer decisions within the context of online auctions. Since the purpose of this study is to explore the association between consumers' inner motives and their behaviors, a qualitative approach is imperative to acquire insight into phenomena that are not easily understood through quantitative measures (Grace and O' Cass 2002).

## GOAL-DIRECTED BEHAVIOR IN ONLINE AUCTIONS

Research in consumer decision-making (CDM) has been dominated by the perspective that consumers always know what they need and accordingly take actions to satisfy these needs (Huffman and Houston 1993). Human motivations, whether cognitive or affective, are geared towards individual gratification and pleasure (Bayton 1958), and provide a theoretical background to examine the underlying reasons why people shop. To fulfill their needs, individuals set goals, commitments to a fixed and desirable end state (Fishbach and Dhar 2005), as guiding forces to determine which properties are relevant and useful for the task of creating meaning (Murphy and Medin 1985). In the context of online purchases, motives still transform into specific goals and become a guide to direct decision-making. Browsing online can be broadly categorized as task-related or hedonic-oriented browsing (Hoffman and Novak 1996). When a consumer's online purpose is task-oriented, will some performance criterion be used for purchase evaluation? When the purpose is hedonic-oriented, will the same criterion be used to guide purchasing? Previous studies regarding these issues are limited and further validation is thus required.

Despite high perceived risks, consumers still choose online auctions due to the perception that auctions may satisfy their needs. They may perceive that the benefits of using online auctions far outweigh the potential threat of fraud (Cameron and Galloway 2005). The primary reason is that perceived risk can be moderated by the consumer's ability to search out information online and utilize other risk relievers, consequently reducing purchase uncertainty (Massad and Tucker 2000). Among all risk relievers, the feedback system is the most direct method to ascertain the seller's reputation and is always viewed as a critical element in both selecting items to buy and decreasing fraud (Cameron and Galloway 2005; Weinberg and Davis 2005). The seller's reputation can serve as an important signal for evaluating the perceived risks towards a specific online auction. Moreover, user experience in online auctions is influential in bidding success (as measured by bidding success rate) because rich experiences usually increase the participant's abilities in judgment and value assessment, which can lead to more effective trading (Cameron and Galloway, 2005).

In addition, consumers are involved in elaboration and aroused emotionally during the bidding process because decision-making in online auctions is inherently complex (Ariely and Simonson 2003). Due to higher product involvement, online auction participants emphasize central cues and make decisions based on deliberate reasoning and thinking to ascertain product quality and the appropriate price level (Wang, Wang, and Tai 2002). In summary, decision-making in online auctions is primarily influenced by the individual's perceived risks, prior experiences, product type, and reputation evaluation (Cameron and Galloway 2005; Johns and Zaichkowsky, 2003; Massad and Tucker 2000). However, the fragmentary conclusions and lack of associations in the decision-making process of previous research requires a study to thoroughly explore the nature and characteristics of consumption decisions in online auctions.

## METHODOLOGY

The authors adopted grounded theory in conducting this study. Grounded theory is a general methodology (Eisenhart 2006) which has been extensively adopted in the research fields of education, nursing, and psychology, but has rarely been applied to consumer research. The grounded approach develops a theory which evolves during actual research and through continuous interplay between data collection and analyses (Rahman 2003). Researchers usually start with very limited a priori constructs about the research issues

and enquire deeply into related behaviors and events, extracting theoretical constructs, and ultimately forming a grounded model based on practical evidence (Leonard and McAdam 2004). In this study, the research process involves the following operations: (1) using theoretical sampling to select appropriate participants; (2) arranging in-depth interviews to gather firsthand individual experiences concerning online auctions; and (3) adopting grounded theory to code and analyze data and finally to construct an integrated framework to outline CDM in online auctions.

### Stage 1: Sampling

The theoretical sampling approach, similar to judgment sampling, is adopted to ensure that certain characteristics can be identified (Strauss and Corbin 1996). The similarity among global online users has been greatly increasing (Beilock and Dimitrova 2003). As such consumers from the largest segment of Internet users, aged 20 to 39, representing 75.5% of the total users in Taiwan (MIC, Market Intelligence Center, Taiwan, specialized in research in the IT industry 2006), were solicited to participate. Participants with at least one previous purchase experience in online auctions were eligible for in-depth interviews, which were used to extensively gather related experiences. Thirty-four qualified participants were interviewed (22 females and 12 males aged between 20 and 38 years old). Twenty-three interviewees had more than five online purchase and/or selling experiences and eight interviewees had only one online purchase experience. Among the female interviewees, sixteen were students and six were clerks working in government agencies or the private sector. Of the male interviewees, three were students, one was a teacher, and eight were clerks or engineers in business, financial or service sectors. The findings from this study can illustrate online auction phenomena in Taiwan and provide valuable insights to both researchers and practitioners.

### Stage 2: In-depth Interview

All in-depth interviews were guided and executed by one of the authors. In order to discover the truth behind the phenomena, unstructured personal interviews were adopted to ensure that the interviewees were least influenced by the interviewer (O'Cass 1996). Each interview took about 20 to 30 minutes. The interview started by asking if the interviewee had purchased in any online auctions. The questioning then proceeded by requesting the participants to recall and discuss their initial and subsequent experiences in online auctions. To avoid any mistakes and omissions, all interviews were recorded and then transcribed.

### Stage 3: Coding and Analysis

During coding, in case of any ambiguities in the descriptions or meanings given during the interviews, the authors arranged another interview with the same interviewee through telephone or e-mail to ensure that the codings were clear and correct. Each coded transcript was categorized by two judges (one of the authors and one Ph.D. candidate majoring in marketing) using the technique of microanalysis (Strauss and Corbin 1996). The judges first identified concepts, then grouped concepts into categories, which enabled the authors to reduce the number of units and thus have greater analytic power (Strauss and Corbin 1996). Through descriptions of properties and dimensions, a category can be clarified in terms of particular attributes and thus endowed with a precise definition. Table 1 summarizes the concepts, categories, and constructs for online auctions based on the 34 interviews. The inter-judge reliabilities for all concepts were greater than .86. Disagreements between the two judges were arbitrated by a third judge. There were no discrepancies encountered between the two judges in grouping concepts into categories and constructs.

The concepts of shopping convenience and information seeking, two common motivations for going online which emerged from this study, constitute the category of task-orientation motives, whereas the concepts of sensation-seeking and group influence are categorized as hedonic-orientation motives. The task-orientation and hedonic-orientation categories are eventually integrated as a construct for motivation as they represent identical properties in different directions within the framework of motivation. Similarly, the construct of perceived risks is generalized from two distinct categories of common risk and online-related risk. The former includes the concepts of product-related and financial risk, and the latter contains system and seller credit risks. A seller credit risk is a purchase-related uncertainty primarily caused by a perception that the sellers in online auctions may not be trustworthy and may even attempt to defraud the buyers. Security and privacy risks, which have been stressed in online environments and which are associated specifically with Internet usage (Miyazaki and Fernandez 2001), are labeled as system risk. The third construct, risk relievers, includes uncertainty reduction (i.e., information searching) and loss minimization (i.e., specifying an upper price limit prior to purchase). The fourth construct is purchase decision, which contains two decision categories–channel selection and auction mode. The final construct is post-purchase evaluation wherein the participant perceives either "I win" or "I gain" from the online auction.

## DEVELOPMENT OF AN ONLINE AUCTION MODEL

Based on the interview results, consumer cognitive deliberation of purchase uncertainty and risk relievers is highly stressed in online auction decisions, regardless of the number of previous online buying experiences. The perceived risks and relievers greatly depend on the individual's motives. Most task-oriented consumers, who have specified goals prior to entering an auction website (e.g., searching for specialty products or product information), usually become more involved in decision-making than hedonic-orientated consumers. They spend time and effort in searching for information and performing risk evaluation in order to make a better decision (Bloch et al. 1986). On the contrary, hedonic-oriented consumers, who are concerning with seeking intrinsic satisfaction, often attend to the ongoing search in auction websites for either the pleasure of the purchase itself or for product information potentially useful in the future. In such a context, it is observed that unplanned purchases and impulse buying occur frequently among such participants.

In addition, online-related risks, including seller credit risk and system risk, are strongly recognized by all participants as vital elements affecting their decisions. In particular, seller credit risk is a pervasive concern since online fraud is difficult to control in practice and reports of fraudulent transactions have substantially increased in recent years (Cameron and Galloway 2005). A female student recalled her first experience as follows:

*I often browsed websites but I never bought anything. One day I happened to see an item with a pretty good style and priced competitively…. However I was quite worried that the goods would not be delivered after payment and the disclosure of personal information. (Female-02)*

Thus, proposition P1 is derived from the findings and stated as follows:

*P1*: In addition to the common purchase-related risks found in the traditional market, consumers pay much more attention to online-related risks in online auctions, especially for initial online purchases.

**TABLE 1**
Summary of Coding Results

| Construct | Categories | Concept |
|---|---|---|
| Motivations (1.00) | Task-orientation (1.00) | Shopping convenience (.94)[a] |
| | | Information seeking (.93) |
| | Hedonic-orientation (1.00) | Sensation-seeking (.95) |
| | | Group influence (.99) |
| Perceived risks (1.00) | Common risks (1.00) | Product-related risks (.85) |
| | | Financial risk (.90) |
| | Online-related risks (1.00) | System risk (.89) |
| | | Seller credit risk (.87) |
| Risk relievers (1.00) | Uncertainty reduction (1.00) | Information searching (.88) |
| | Loss minimization (1.00) | Specifying an upper limit (.92) |
| Purchase decisions (1.00) | Channel selection (1.00) | Enter the auction (.98) |
| | | Buying in stores (.96) |
| | Auction Modes (1.00) | Bidding (.99) |
| | | Buying (.99) |
| Post-purchase evaluation (1.00) | I win (1.00) | Benefit-based evaluation (.90) |
| | I gain (1.00) | Emotion-based evaluation (.86) |

NOTE.— a: numbers in the parentheses are coefficients of inter-judge reliability

Participants indicated that selecting reputable websites and evaluating the sellers via a feedback system were essential for assuring transaction security. The ability to access risk relievers moderates perceived risk (Massas and Tucker 2000). In addition, although the online environment itself provides different cues for buyers to make decisions (Stern and Stafford 2006), the lack of opportunity to examine the products prior to purchase makes many shoppers hesitant to shop online. Furthermore, it was reported that inability to examine the products, transaction security, and privacy were three crucial considerations for online purchase decision-making (MIC 2006). To minimize these uncertainties, some participants, especially task-oriented participants, reported that they actively engaged in searching for information from multiple sources (e.g., websites, word-of-mouth from peers, interacting with the sellers, and inspecting products in retail stores). A savvy male participant described his information search activities as follows:

*I went to stores to inspect the product and checked out the descriptions on the auction website. Besides, interacting with the seller by e-mail is important. (Male-06)*

Hedonic-oriented participants were less involved and frequently used simple decision criteria, aiming at minimizing loss, as a risk reliever. They set an upper price limit as a threshold to determine whether or not to buy the product. This upper price limit, in fact, represents a type of risk tolerance that primarily signals the consumer's ability to suffer purchase loss. An experienced female participant reported her decision rule as follows:

*The price of products must fall in the range that I expect. Online shopping is usually unpredictable so I would not consider buying expensive items from online auctions. (Female-03)*

Proposition P2 is thus inferred as below:

*P2*: The risk relievers used by task-oriented consumers are different from those of hedonic-oriented consumers. Task-oriented consumers actively search information to reduce purchase uncertainty whereas hedonic-oriented consumers limit potential losses to a certain level as a risk reliever.

Interviewees decided to enter the online auction once they concluded that the purchase was beneficial; otherwise, they might choose to purchase from retail stores or even delay the purchase. Rather than accepting the pricing established by sellers in the traditional market, buyers' ability to negotiate prices is greatly enhanced by the pricing system in online auctions. "Bidding" and "buying-now" are different transaction mechanisms for buyers to purchase the product. Most participants indicated that they usually select the "buy-now" price because it is easy to compare with the prices in retail stores. However, bidding is preferred for coveted items which are unavailable in the common markets. A male participant reported his decision criteria as follows:

*New items are largely sold at fixed prices without much opportunity for buyers to negotiate. Used merchandise is more suitable for bidding. …but the prices of used goods are not reasonable in some large-scale online auction sites — higher than the average. The prices of used goods are not comparable with the market prices because they are rarely sought out in the market. (Male-02)*

Purchase decisions may be concurrently driven by rational and emotional behaviors (Stern and Stafford 2006). However, our findings show that decision-making in online auctions are dominated by economic rationales since participants tend to choose purchasing at "buy-now" prices and evaluate decisions with the economic criterion of "what can I gain?". Most participants indicated they were quite satisfied with the results of online auctions

because the benefits of purchasing were perceived to exceed expectations. However, an evaluation-based decision may eventually turn into a more emotional-based behavior once consumers decide to bid for their favorite items. Five of the 13 participants who had bid for products reported that they had such an experience of competing with other bidders, motivated by the desire to win. Bidders are likely to experience an escalation of commitment because the web-based dynamic pricing mechanism used by online auctions often triggers an intense emotional response (Gupta and Bapna 2001) due to the utility of bidding and competing (Ariely and Simonson 2003). As the auction becomes intensively competitive, bidders must concentrate on the bids placed by competitors and use some tactics to win such as "sniping" at the last minute (Cameron and Galloway 2005). Those involved bidders are relatively more concerned with "how can I win the bid?" One female participant described her bidding strategy as follows:

*When I found a desirable auction item, I usually tracked but did not bid on the item until the last minute. This strategy has won me most of the auctions. (Female-01)*

Accordingly, propositions P3 and P4 are induced as follows:

*P3*:  Bidders are more emotionally involved in online auctions than those consumers buying directly at the "buy-now" price.

*P4*:  Consumers are mostly concerned with economic gain in an online auction but involved bidders stress comparatively more emotional factors during the decision-making process.

When the auction is closed and the products are delivered, consumers proceed to an internalization stage to reconfirm their decision. Although consumers often perceive high risks towards online auctions, almost every participant agreed that satisfied experiences positively influence repurchase intention because such experiences increase their confidence in making a correct decision. More importantly, experiences can be internalized and transformed into knowledge to improve future purchase decisions. Similar results have been reported by Cameron and Galloway (2006) where experiences in online auctions significantly led to more effective trading and facilitated participants' bidding success rates. Surprisingly, our findings reveal that negative experiences or fraudulent events do not necessarily impair the intention of bidding or purchasing in the future as the participants reported that they would continue to buy online even though they had encountered negative experiences, such as fraud. On the contrary, unpleasant experiences help them to develop better risk relievers and some strategies, such as sniping, to win the bids. A male participant described his experience with fraud as follows:

*I was very angry at that seller because he always made excuses to put off delivery after payment. Even worse, he ran away. After that, I was very careful with the trading methods used in online auctions. I insisted on delivering products face to face and repeatedly checked out the records for seller reputation prior to purchases. (Male-05)*

Therefore, P5 is induced as follow:

*P5*:  Satisfying experiences positively influence repurchase intentions in online auctions whereas unpleasant experi-

ences do not necessarily impair repurchase intentions but are of great value in developing better risk relievers for future purchases in online auctions.

**Gender Differences in Decision-Making**

Another interesting finding is that the motives for participating in online auctions are quite different between genders, leading to distinct behaviors in risk handling. Specifically, male participants usually engage in pre-purchase searches to assure the quality of their purchase decision whereas the females are prone to experience the pleasure of shopping, which facilitates impulse buying and unplanned purchases. This implies that to male auction users, an auction website signals a purchasing channel; whereas female auction users perceive it as a venue for entertainment. This result is supported by previous studies reporting that gender differences play a central role in Internet usage (Jackson et al. 2001).

Both male and female participants consistently perceive higher risks for entering an auction website versus in-store shopping; however, it is also found that the males bought much more expensive items (US$ 4545, US$1= NT$33) than females (US$ 206). This seems to imply that the level of risk perception and the ability to suffer loss differs between male and female buyers. If so, prior findings that women perceive higher levels of risk in online shopping than men (Garbarino and Strahilevitz 2004) can be supported by these findings.

As mentioned, hedonic-oriented buyers employ simple rules (i.e., loss minimization) to make decisions. Fourteen of the 22 female consumers engaged in hedonic-oriented behaviors and were inclined to use loss minimization as a risk reliever; that is, choosing cheap products or specifying an upper price limit as a threshold to limit potential losses and to ensure freedom from purchase risks. However, ten of the 12 male buyers engaged in information searches to reduce purchase uncertainty and to assure the quality of their decision in the online auction (Jackson et al. 2001; Miyazaki and Fernandez 2001).

Therefore, proposition P6 is stated as below:

*P6*:  Males and females differ significantly in decision-making strategies in online auctions. Males tend to be task-oriented, thus focusing on uncertainty reduction. Females, on the other hand, are hedonic-orientated and emphasize loss minimization.

Based on the grouping procedures and propositions discussed, the authors identified the relationships among constructs and formulated an integrated model to describe consumer decision-making in online auctions (figure 1). The CDM in an online context is divided into three stages—activation, actualization, and internalization. Although the stages of CDM in online auctions appear to be similar to those in traditional markets, the nature and attributes of consumer decisions are different. Distinct from traditional purchase decisions, risk perceptions and risk handling strategies appear to be of critical concern during decision-making in online auctions. Besides, the impact of gender differences on purchase decisions can not be neglected. Different motives for using online auctions are reported between male and female participants.

## GENERAL DISCUSSION

Although there has been great progress in consumer research, the findings are fragmented (Simonson et al. 2001). This study adopts a qualitative approach to explore the successive and dynamic nature of decision-making in online auctions. The authors conceptualize consumer behavior in online auctions into three

**FIGURE 1**
CONCEPTUAL MODEL OF DECISION-MAKING IN ONLINE AUCTIONS
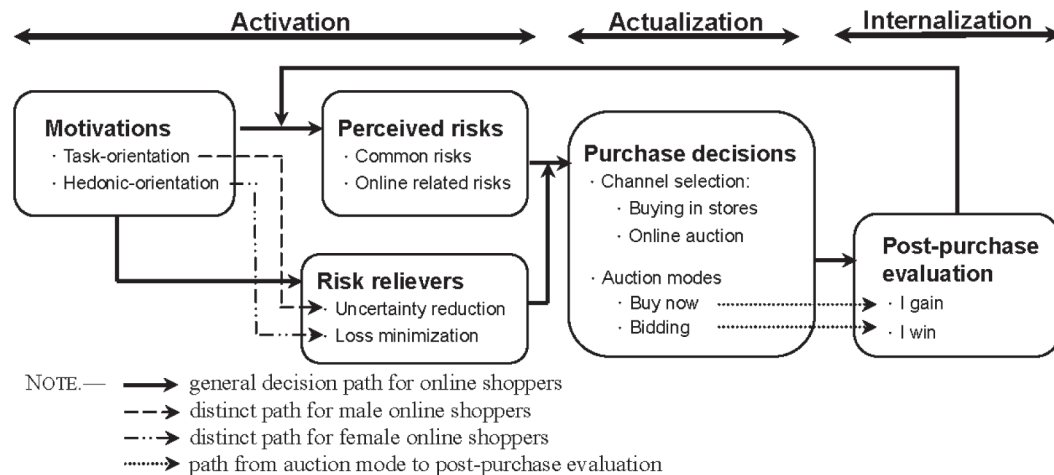


stages—activation, actualization, and internalization. The interrelationships among these three stages are further examined. Ariely and Simonson (2003) previously proposed a multi-stage conceptual framework for the online bidding process based on value assessments of information available on that site (e.g., number of competitors). However, their work sheds light on the impact of contextual cues on bidding decisions and behaviors without considering motivation and risk perception. The major contribution of this study is to further understand the association between consumers' decision-making and behavior in online auctions, with an integration of purchasing motivations, perceived risk, and risk reliever selection. However, exploratory evidence for the role of CDM in online auctions may need further investigation, since only a small group of respondents from a selected segment (Internet users in Taiwan aged 20 to 39) was used. Future research is recommended to apply different methods (e.g., quantitative approach) and different consumer segments to validate the proposed model.

Generally speaking, consumers' decision-making in online auctions corresponds with their motivation, either task-oriented or hedonic-oriented. Yet it should be noted that perceived risks and risk relievers are critical to decisions and behaviors. Risk has been reported to be an influential factor in online purchasing (Garbarino and Strahilevitz 2004; Miyazaki and Fernandez 2001). This study discloses that, instead of being driven away from online buying due to risk, buyers utilize either uncertainty reduction or loss minimization to handle risks. Therefore, marketers should actively implement risk relievers such as a reputation management system and payment security system (e.g., eBay's use of PayPal) to minimize the costs of risk relievers and thus facilitating online purchasing. Additionally, interviewees revealed that dealing with sellers recommended by friends can diminish perceived risks and increase purchase intention. A referral system that grants members credit which may be reimbursed for future purchases once the referrals complete a transaction is recommended to website operators. A referral system can serve as a platform for the "word-of-web" effect (Weinberg and Davis 2005) to decrease buyers' purchase uncertainty, which leads to enhanced purchasing and customer retention.

Moreover, the influences of gender on consumers' motivation and their preferable risk relievers have been neglected in the literature. The findings that different motivations for using online auction and decision-making exist between genders contribute to an explanation of gender differences in the perceived risks of buying online (Garbarino and Strahilevitz 2004). Although researching the reputation of the system is a common risk reliever for both male and female buyers, most hedonic-oriented females reported that they would rather buy expensive products in stores rather than in online auctions. Comparatively, male buyers actively search information from multiple sources and choose safe payment methods to control purchase risks once they determine the auction is beneficial. Therefore, sellers should notice the distinct characteristics in purchase decisions between males and females when designing appropriate marketing strategies. For females, sellers can provide unique items that are not available in stores or adopt competitive pricing strategies to compete with the traditional channels. When targeting male buyers, providing product information and quality assurance appears to be most effective.

This conceptual model provides a foundation for future empirical validation. The issues of linking motivations and risk handling as well as distinguishing gender differences in decision-making that were neglected in previous research also need to be validated in the future. Finally, participants are deeply concerned with the public policies of online auction security. The amendment of related legislations may greatly impact the future development of online businesses.

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# To Start Being….The Anticipation of a Social Role Through Consumption in Life Transition: The Case of the First-Time Pregnancy

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## ABSTRACT

In the present research, we focus upon an important life transition in women's lives: the experience of first-time motherhood in modern societies. After a presentation of life transition and motherhood literature, we discuss the results of a qualitative study based on interviews with pregnant women. The findings emphasize that pregnant women experience childbirth and anticipate their future role of mother through consumption. Finally, we highlight two dimensions in pregnancy: a *child oriented* dimension and a *role of mother* oriented dimension. These two dimensions are connected by a temporal focus and rooted in a sociocultural framework.

## INTRODUCTION

Whatever an individual's social or cultural status, his/her life may be understood as a cycle bounded by birth and death and punctuated by events that drive personal transformation. In the present research, we attempt to study the adoption of a new social role and status through transition in post-industrial societies. In this research context, we are particularly interested in sociocultural and symbolic aspects of consumption in the Consumer Culture Theory (CCT) perspective (Arnould and Thompson 2005). Many authors in marketing have shown that life transitions can be mediated through the consumption of goods and services (Belk 1989; Fischer and Gainer 1993; McAlexander 1992; Ozanne 1992; Roberts 1991; Rook 1985; Schouten 1991a, 1991b; Wright 1991; Young 1991); more precisely, consumption assists individuals in their learning of how to perform social roles (Solomon 1983; Belk 1988).

The life event chosen for this study is first pregnancy and new motherhood. There are two reasons for this choice. First, this event is generally presented as the most important event in a woman's life (Fischer and Grainer 1993). Secondly, academic interest–even marketing research–is low, despite the intensity of the consumption practices that accompany first-time pregnancy—an average of ?4,116 is spent during the first year of a child's life in 2004 in France (source: INSEE) and £52,605 is spent from birth to the age of five in the UK (source: The Guardian, 2005).

Consumer behavior in the first year of a child's life domain has been relatively understudied (Banister and Hogg 2006; Fischer and Gainer 1993; Houston 1999; Prothero 2002, 2006; Thomsen and Sorensen 2006). In contrast, marketing research often focuses on children's socialisation (Ward 1974), parents or children's influence (Moore-Shay and Lutz 1988; Moore, Wilkie and Lutz 2002), but not really on the baby and particularly not from the parents' perspective. In the present research, we approach first-time motherhood more specifically during the pregnancy phase, where consumption serves to materially prepare for the child's arrival.

In the first part, we discuss the theory of life transition including identity changes, new social role and the theory of rites of passage. Then, we specify the qualitative methodology used and present our findings. Finally, we discuss the managerial implications of our results and propose relevant developments for future research.

## LITERATURE REVIEW

### Life transition: a break in the path of life and the accession to a new social role

Life transitions are usually represented as a succession of important stages or events in an individual's life—birth, adulthood, marriage, divorce, retirement or death. These events appear central in the path of life, so much so that they "play a more important part than age in the break in the rhythm of the course of life" (Attias-Donfut 1991, p.79). Several expressions reflect the importance of such events, such as "life events" used by Attias-Donfut (1991, p.79), and "life crisis" used by English-speaking anthropologists. Life events represent a break in the path of life and create two periods, a "before" and an "after."

Two main conceptual visions are developed to shed light on life transitions. First, the life-cycle concept contains three elements of strict definition: the notion of stages, maturation and generation. The alternative conceptualization of life span or life course—the individual life history or biography—does not contain these three elements (O'Rand and Krecker 1990). The second vision is the rite of passage theory defined by Van Gennep (1909) and further developed by Turner (1969). This special form of rite marks the transition of an individual's social status in three universal successive stages which correspond to three sorts of rites: 1) a separation characterised by the removal of the individual from his/her previous social status; 2) the liminal stage, a period of transition in which the individual is neither endowed with the previous status nor with the new status; and 3) the incorporation into a new social state, when the passage is finally completed. Some French researchers who studied life transition through the rites of passage theory emphasized the difficulties of using it in contemporary societies (Bozon 2002; Lemaire 1995) and the potential lack of relevance of this theory to aid understanding (Sevin and Ladwein 2006).

These two conceptual visions show life transitions as breaks which lead to various changes in the individual on a physical, psychological and/or social level (Erickson 1963; Gould 1978; Levinson 1978; Lepisto 1985; Rivière 1995). While the events act on the identity and the personality of the individual and increase stress levels and consequently imply necessary adaptation (Holmes and Rahe 1967; Andreasen 1984), they also act on his/her social dimension by adjusting and redefining the existing systems of social status and roles (Levinson 1978; Lepisto 1985). Life transitions involve a new social role and status—closely dependent concepts that are the subject of an important theoretical past. Linton defines social status as a social position: "the place which a given individual occupies within a given system at a given moment will be named his/her status" (1947, p.330). A social role can be defined as the dynamic face of status. From a psychological perspective, the social role of an individual is a component of his or her identity (Linton 1936) and it is possible to see one's personality as a set of roles (Chappuis and Thomas 1995). Individuals have many different social statuses and roles. One status can be in effect while

another remains latent (Linton 1947). When individuals obtain a new social status or role, an adjustment of their system of roles and statuses is necessary. To incorporate social roles and statuses, individuals engage in the direct or indirect observation of other individuals. This is social learning according to the role model theory developed by Bandura (1976). Observation allows us to acquire information which is then used as a guide to our actions. The role models can be people who are close to the individual such as parents, family or friends. Interpersonal relations influence the attraction and the attention paid to these role models. They also facilitate direct contact and the exchange of information. Indirect role models are defined as those with whom direct relations are impossible—media communication considerably widens the number of available indirect role models. Thus, imitation is at the heart of observational social learning (Bandura 1976) and "by imitating a gesture, while playing it in our turn, we enter a social role" (Kaufmann 1995, p.250). Role models help the individual to adopt a role conforming to the values shared by society.

The theory on social learning distinguishes between different stages (Bandura 1976). First, the individual selects what is to be observed among the number of potential models–this is the attention stage. Then the individual learns by observing the behaviors of the role model–this is the acquisition phase. Lastly, there is the process that drives reproduction, where the individual translates the representations into actions according to the integrated behavior. "People do not translate into acts what they have learned" because of social norms (Bandura 1976, p.34).

In the context of such events, everyday life is modified, and so too are consumption practices. Thus, marketing researchers have developed a theory of segmentation through the life-cycle concept. In particular, marketing researchers use the family life-cycle concept to explain the succession of changes of family consumption practices (Rigaux-Bricmont and Davis 1974; Schaninger and Danko 1993; Wells and Gubar 1966; Wilkes 1995).

### Life transition: the role of consumption practices

The marketing literature has widely shown the various symbolic functions played by products in post-industrial societies and the meanings attached by individuals to material possessions. Objects exceed their utilitarian function (Baudrillard 1970) and play a role in the construction of identity as an extension of the self (Belk 1988)—"You are what you consume"—as well as in social relations (Solomon 1983). Consumption and purchases are vested with a "psychic energy" (Csikszentmihalyi and Rochberg-Halton 1981).

The role of consumption during transitional periods has received increasing attention in recent years. Many authors have shown that life transitions nowadays can be experienced through the consumption of goods and services (Belk 1989; Fischer and Gainer 1993; McAlexander 1992; Ozanne 1992; Roberts 1991; Rook 1985; Schouten 1991a, 1991b; Wright 1991; Young 1991). More specifically, the importance of consumer goods in the learning and performance of social roles is also recognised (Belk 1988; Solomon 1983). Some consumer goods will mark an ostentatious status. Thus, the various roles played by an individual are facilitated or inhibited by the presence or absence of material symbols (Solomon 1983). This is the active side of tangible property.

In life transitions, consumption intervenes more precisely in the reconstruction of the self (Schouten 1991b). Objects help us through change insofar as they facilitate the identification of the status and act as a support for social standards. Thus, Solomon (1985) shows that a suit can be seen as an accessory in the contemporary rite of passage that is a woman's entry into the professional environment. The author notes that clothing can communicate competency and professionalism. In a study into another modern life transition, divorce, McAlexander (1991) shows that the distribution of possessions resulting from the marriage has a symbolic value. Indeed, the choice made by the partners in relation to shared possessions is in accordance with the identity-linked desire to release oneself from the throes of marriage and the life that goes with it. The absence of initiation rites to enter adulthood is characteristic of our society (McCracken 1988). The consumption practices could compensate for the absence of initiatory rites (Ozannes 1992; Wright 1991).

### Motherhood: an important life-event for women

The experience of motherhood is one of the most important events in a woman's life and potentially a stressful life event in Holmes and Rahe's classification (1967). Motherhood should be understood through sociocultural and historical processes (Thompson 1996). In the rites of passage theory (Van Gennep 1909), first-time motherhood has been sequenced in three phases. Stopping of a job is the separation stage. Pregnancy is the liminal period. And childbirth is the incorporation stage.

In recent studies in different disciplines, researchers highlight the changes of identity of women (Bailey 1999; Smith 1999a, 1999b), the importance of possible selves (Banister and Hogg 2006), the role of consumption to reinforce the construction of the mothering identity (Jennings and O'Malley 2003), and the good mother identity in the eyes of others (Prothero 2002). Consumption also allows the construction of identity for their baby (Miller 2004; Clarke 2004). A few researchers have initiated the idea that certain objects such as prams can be vehicles for the acquisition and maintenance of the role of motherhood (Thomsen and Sorensen 2006). Fischer and Gainer (2003) have seen "baby showers" as a modern rite of passage which marks both an acceptance of the new role and a denial that anything fundamental would change.

A review of the literature suggests an emergence of interest in the role of consumption in life transition, new social status and identity changes. And in the present research, we propose to better understand the dynamic process of first-time motherhood by examining the construction of the role of mother and the anticipation of first-time motherhood through consumption.

## METHODOLOGICAL CHOICES: SAMPLE, DATA COLLECTION AND ANALYSIS

In this study, we attempt to carry out an in-depth exploration of life transition with interpretive logic (Holbrook and O'Shaughnessy 1988; Sherry 1991) to understand the different practice systems (Garfinkel 1967), what links them together (Blanchet and Gotman 1992) and the meanings ascribed to consumption practices (Thompson 1997). Thus, we propose to offer a wider ethnographical reading of the event and develop a theory based on the data (Glaser and Strauss 1967). We use individual interviews with pregnant women expecting their first child, with a focus on consumption practices.

We built our sample so as to benefit from diverse cases (Miles and Huberman 1994) in terms of age, socio-professional categories and the number of gestation months already completed. In order to obtain maximum variations, we diversified our sources and methods of recruitment. We initially enlisted the help of personal networks and later recruited respondents at ante-natal classes in midwifery clinics and a maternity hospital. Our final sample is composed of 27 pregnant French women (age 17-40, average age 28) who were expecting their first child.

It is necessary to point out that the interviewer has not yet experienced first-time motherhood. Contrary to Prothero's work which relies on researchers' subjective introspection (2002), we

prefer following Kaufmann's recommendations (1996 [2004]) about the researcher's position as "ignoramus."

Interviews were carried out by one interviewer. They were generally conducted in the place of residence of the respondents, though in certain cases the interviews were held in a café. The interviews, tape recorded to facilitate subsequent data processing, took place between February 14 and May 18, 2005. The duration of the interviews varied from half an hour to an hour and a half. To understand the symbolic meanings, we adopt a phenomenological approach. Then, three themes were systematically explored: 1) how pregnancy was construed, 2) what changes were caused by pregnancy 3) what preparation for childbirth had been carried out. Where necessary, the interviewer asked for further explanation on precise points and also explored new topics.

The 27 individual interviews were transcribed verbatim, so as to preserve as accurately as possible the initial character of the remarks. The interviews lend themselves to reading as they were recorded. The data was analysed using an iterative process of searching for recurrent themes (Miles and Huberman 1994) with a final axial coding. The coding is based on constant comparison: initially comparing data to data, later comparing data to theory (Spiggle 1994; Strauss and Corbin 1990). Three major themes emerge from the analysis of data and are discussed in the next section.

## FINDINGS: PRESENTATION AND DISCUSSION

### The decision to have a first child: process and meanings

Having a child is now a conscious decision, carried out in a reflexive mode, on two levels—both individual and collective. Thus, the analysis of data provides many elements on the decision-making process.

In most cases, the reflection process begins before the final decision is made. Motherhood is closely associated with the female identity, as early as childhood.

*"If he had told me I don't want to have any children with you, I don't think we would have stayed together."* [Joulia (31-year-old junior analyst)]

In the decision-making process, the couple undergoes pressure from their family and other relatives, their friends and colleagues and more broadly from society, through the standards which it imposes. First of all, the age of the pregnant woman is an element endowed with a highly normative character. Women, whose ages are very different to the national average—29.6 years old in France—like Amélie (17), Hélène (19) and Sophie (40) are seen by those who know them as exceptional cases. Owing to awareness of the cost incurred by child-rearing, the couple's economic situation and professional status become important criteria. Women anticipate the cost of a child's birth. At this stage, parenthood is associated with the material well-being of the child. Most particularly, in western societies, motherhood implies the purchases and utilisation of a lot of material goods for the baby. Attias-Donfut (1990, p.105) suggests that "the fact of viewing one's offspring as a source of wealth has now been replaced by viewing it as a source of expenditure, an evolution which characterises modern society."

*"It's true that financially we could have afforded it for a long time (…) Yeah; I've been working for 6 years already, and Vincent for 3. But you know, our relationship was a bit chaotic for a while, so we waited until our life as a couple was nice and steady."* [Ingrid (31-year-old primary school teacher)]

The child symbolizes an irreversible break from the past and introduces a sharp distinction between the previous life and the new life. Laetitia C. (a 31-year-old manager) spoke of the "beginnings of a new life". Sarah (a 28-year-old teacher) had the impression of finding herself "at a crossroads". For Céline (a 26-year-old nurse), "this is how life has to evolve." Through this decision, the woman is conscious that she will have a new social status with the attached role. In the case of first-time motherhood, the social status and role of the mother, publicly assumed at the time of the birth of the first child, are added to the marital and professional status and roles, which are then necessarily redefined (Linton 1947). In fact, when individuals obtain a new social status or role, an adjustment of their system of roles and statuses is necessary. Thus, when a woman takes up her role as a wife or a mother, she endorses the system of values and behavior which is attached to it. In daily life, women will have to juggle between their roles and various statuses (Cicchelli 2001). The new role of mother will have a significant impact on the identity of the woman, whose status shifts from that of her mother's daughter to that of a mother (Stern and Bruschweiler-Stern 1998). The decision anticipates the idea of new organisation of everyday life with a readjustment of the roles of both partners.

The notion of descendants is also at stake with the birth of the first child, as it constitutes an opportunity to create a direct descendant, a greater privilege than collateral descent (brothers, sisters or cousins), and perpetuate the family unit. Pregnant women evoke the idea of transmitting the familial's cherished possessions (Folkman Curasi, Price and Arnould 2004) or the family values, beliefs and attitudes including certain consumption practices. Thus, it's an anticipated conception of the intergenerational influence (Moore-Shay and Lutz 1988) and transgenerational capital (Ladwein, Carton and Sevin 2007).

The arrival of a child is a positive emotional event—understood as something remarkable occurring in an individual's environment (Augé 2003). Thus, the consumption practices undertaken in order to prepare for a baby's arrival are seen not as a chore but as a pleasurable activity.

### Pregnancy: transitional period with changes of everyday life consumption practices

Women experience pregnancy as a necessary stage towards motherhood. Pregnancy is the occasion for her to endorse a transitional role, that of a pregnant woman whose objective is the protection of her unborn child. During pregnancy, the everyday life of pregnant women goes through changes.

The majority of these changes are related to the presence of the child and the desire to protect him/her. Thus, the management of risk is different, with the risk limit being lowered. The new perception of risk modifies certain daily consumption practices (Thompson 2005). Their characteristics are the transitional dimensions of certain practices that exist only during the pregnancy and in relation to the role of pregnant women. We highlight some of these changes here. First, with the protection of the unborn child in mind, there is a search for a healthier life: expectant mothers give up tobacco and alcohol. Then, various patterns of food consumption develop. Food is closely associated with the good health of the baby, whom it can protect from various pathologies. As Sarah (a 28-year-old teacher) says "I think twice as much because we are two and I try to eat more healthily." Thus, pregnant women adopt a balanced diet with more dairy products, fruits, vegetables, enriched mineral water and health supplements. The cocooning attitude of certain pregnant women develops a new pattern of consumption such as internet purchases, home delivery services, home consumption of DVD movies (rather than go out to the cinema). Pregnant women need to be able to trust what they buy. Thus, she prefers

brands, food with labels or organic food. The advice of medical experts is more important for pregnant women.

Pregnant women look after themselves (Prothero 2002). As soon as the pregnancy is known, pregnant women buy a lot of cosmetics, leisure goods (books, music) and new clothes.

During the pregnancy, a more or less intense upheaval of the traditional distribution of domestic roles is observed. Normally, social norms prescribe the role that each partner will play in the couple (Roberts 1981). Thus, even if it tends to be moderated in some cases, women become more involved in domestic activities, such as cooking and washing, while men are in charge of the car and the D.I.Y. A more or less significant involvement of the man in household chores, such as shopping or washing—tasks more frequently carried out by women—is observed. As Virginie says laughingly, "he (her husband) helps me, he cleans the house, he prepares the dinner, all of which I did before!" This is one way for the man to become involved in the pregnancy.

Pregnancy is also the cause of a change in social behavior. It is characterised by decreased social commitments—leisure activities are reduced and professional activities are interrupted. In social relations, the status of pregnant women seems to dominate all others. The interviews show a "mystification" effect related to the social status of pregnant women, which materialises in a greater amount of attention being paid to pregnant women. For example, the customers who shop in Catherine's store (a 31-year-old store manager) show an interest in her pregnancy. Sophie (a 40-year-old secretary) is allowed to jump the queue at the post office, while Lucie (a 30-year-old journalist) says "in my family, I am the star". An inflation of unilateral social interaction is also observed. Pregnant women are seen as "attractive". Women who are already mothers initiate interactions with pregnant women. As former pregnant women, they feel the need to tell of their own experience with pregnancy as the narrative of the self (Ladwein 2004). The social interactions framework positions the women as pregnant women and future mothers.

These elements allow us to conclude that pregnancy can be associated with a period of transition between the former and future social roles, with everyday life changes. This period emphasizes the initiation of the anticipation and the reality of an expected child. Much more of these developed elements are focused on the child than on the role of mother. This anticipated process of an expected child continues through the consumption practices, which concern the material preparation for the anticipated child.

**The anticipation process of the role of mother**

During the pregnancy the child is not yet present, so the mother's social role and status are not yet official. However, progressively, pregnant women's social status moves towards the social status of mother and thus preparing them for their future role.

*The cognitive anticipation of the child's arrival*

The pregnancy is a period spent in expectation of the unborn child's arrival and during which preparatory psychological work with regard to the future role of mother takes place by way of the mental construction of the child (Stern and Bruschweiler-Stern 1998). Most pregnant women acknowledge having difficulties in giving a concrete form to the pregnancy for the first three months. Then pregnant women progressively internalise their state and the future arrival of the child through a succession of stages.

First, medical contact such as blood tests, antenatal classes, medical appointments and, finally, ultrasound scans provide chronological pace to the pregnancy. Ultrasound scans provide particularly important and memorable moments of the pregnancy because they reveal the first images (Fellous 1991) of the child and initiate the construction of the mental image of the future baby. In certain cases, the need to see and feel the growing foetus may constitute the first steps of the future visual tracking of the child, made material by several photos and films. We can underline the rise of a three-dimensional ultrasound scan in private centers or the recording on DVD. Each ultrasound scan appointment becomes a sacred experience and ceremonial time.

Furthermore, the ultrasound scan now makes it possible to predict the sex of the child. Choosing to know the sex of the child is then justified by a willingness to be able to personify the child and to personalise the material preparation, more particularly in terms of clothing items and decorating the baby's room. Thus, the knowledge of sex of the baby influences purchases. In the same vein, the choice of a first name also contributes to imagining the child. The naming of the child traditionally takes place at birth. That implies an anticipated choice, which is realised in a methodical and meticulous process with specific book or Internet research. The choice of a first name seems the first important decision for the future life of the child.

Moreover, two physiological events also make it possible to contribute to the reality of the child: the sensation of the baby's movements and the belly, which swells gradually, becoming the testimony to the pregnancy and to the presence of the foetus.

Lastly, the first purchases of material goods also contribute to reinforce the reality of the coming child with certain emotion. Then all along the pregnancy, each purchase solidifies the reality of the coming child—bedroom, push chair, clothes.

A new stage begins more actively: the learning of material preparation of the expected child which reinforces the construction of the role of mother.

*The social learning of the role of mother and the "knowledge-able consumer"*

During the pregnancy, women undertake the social learning of their future role as mother, a role that is unfamiliar to them. Pregnant women acquire the necessary knowledge, competencies (know-how) and attitudes in relation to the social role of motherhood. The role of mother is directly related to the idea of looking after the child's well-being on all levels—material but also educational and emotional needs. Thus, this learning also concerns consumption because becoming a mother is to develop as a "knowledgeable consumer." And a good praxis may be conditioned by possession of the correct objects. However, the child's welfare market is unknown to first-time pregnant women. That explains why, during pregnancy, women need a lot of information. Where we might see a simple external search for information on behalf of the pregnant women, it is necessary also to see the social learning of the role of mother. This means that the direct and indirect role models will serve to help pregnant women understand what to consume and will exert considerable influence on their purchases as well as the use of objects. Particularly in the field of consumption, role models are identified as any person with whom an individual can come into contact, directly or indirectly, and who is likely to influence the consumption-related decisions and the actions of that individual.

Pregnant women will quite naturally favour female role models. Direct role models are other mothers from her close circle such as friends, sisters or work colleagues. These models can be women who have already had children, very recently if possible so that they may be able to visualise the maternal role that the expectant mother awaits. This social learning by direct role models is justified by the desire of the pregnant woman to be a good mother in accordance with the social norms imposed by society and sociocultural patterns of motherhood.

*"Yeah, you know, then I'm afraid that, em, I mean it has to be perfect when he arrives and super clean and I don't want him*

*to be sick. I'll have to have somewhere to wash him and change him with something, and I'll need clothes to dress him but I don't have anything, you know, I mean I've got a couple of things, but, you know, I'd like to buy him clothes as well, stuff that I'll actually give him myself and not just stuff I've borrowed, you know."* [Naïma (27-year-old student)]

The pregnant woman observes the behavior of the other mothers in order to assimilate them and then to imitate them when the child finally arrives. It is therefore interesting to consider the experience of Sarah (a 28-year-old teacher) who accompanied a friend so as to observe her organisation with the baby. The direct contact with role models is a new form of social interaction that would not have taken place without the pregnancy. One of the potential role models is the pregnant woman's own mother. During the pregnancy, the mother and daughter link is reactivated. Fischer (1981) shows that "more reciprocal contact between them would then be observed." However, the mother can be a potential important or unimportant role model. Because of the rapid changes taking place in product offerings, the selection of direct role models in terms of consumer learning is made in accordance with how recently the role model in question experienced her pregnancy. This explains why some pregnant women have difficulty accepting their own mother as a potential role model. For certain respondents, their mother's experience is too remote and is no longer in phase with the changes in the marketplace and certain cultural aspects of society.

*"She is a bit old fashioned, I think, for example prams, there've been big changes. They didn't have Maxy Cosys that do everything for you back then. Before, they had the big Landaus and that was all, you know? She gives her opinion, but everything that comes out in the shops is a bit much for her, it's not at all like before."* [Céline (26-year-old nurse)]

On the contrary, for other, generally younger, respondents, the mother is a central model and may be ever-present. Amélie (17) and Hélène (19) particularly emphasise their mother's expertise. We notice that intergenerational influence is sometimes reactivated, particularly by way of nostalgic attachments of the pregnant women to their own infancy. For example, pregnant women often ask their mothers to remind them of the brands which were used when they were babies. Solène (a 27-year-old teacher) chose the push chair "Bébé Comfort" (french brand) because her mother bought this brand when Solène was a baby. We can observe nostalgic connections and emotional attachment to certain brands (Fournier 1998) as they put more trust in these brands.

Indirect role models can also be identified. Pregnant women may look for an indirect role model through various media sources like television, the press or the Internet. They will seek someone who generally corresponds to their experience or point of view.

*"I initially asked my sisters and went on to Internet forums for mothers. Yeah, I actually spent a lot of time on those sites and em, and that's it, you know, I read what they have to say and some of them talk about what they bought, which is what you need."* [Naïma (27-year-old student)]

However, the direct role model appears very powerful.

*"People with experience can give better advice—not necessarily, but because they have experience they know more about what needs to be bought than the magazines for example."* [Sarah (28-year-old teacher)]

Pregnant women make up their own minds about their future role. In fact, they observe social norms through the actions of their role models, which remain accessible. Then they adapt these observations to their own notions of what is good or bad (Kaufmann 1995). Finally, women engage in "D.I.Y" of their future role through additional observed data (Bandura 1977).

*"And people give a load of advice about everything to do with daily chores, hygiene, how to put the baby to bed, what to do for them every day, what products to use. I think it's good to give you an idea, you have lots of different opinions and then you can make up your own mind and have your own idea of what to expect."* [Céline (26-year-old nurse)]

*"I read it of course, yeah, and you know I learned some stuff, although not that much, I mean there's so much out there. I'm telling you when you're 20 you don't know much, but when you're 40 you're well informed about things and you know, you've got a lot of friends and family around you who have had kids, so you talk and observe."* [Sophie (40-year-old secretary)]

It is worth noting that the learning of the role of mother begins as early as childhood (Stern and Bruschweiler-Stern 1998). In fact, many pregnant women evoke memories of their childhood when they played with their dolls.

An exchange of the information acquired by role models can be observed between pregnant women. If a pregnant woman is at a more advanced stage of the pregnancy, she can become a role model for another pregnant woman. This was the case for Céline, whose sister was pregnant before her, allowing Céline to observe the way she dealt with the pregnancy. However, the social learning may begin before the pregnancy, but it continues well after childbirth (Stern and Bruschweiler-Stern 1998).

Furthermore, a learning phase can be initiated by purchases for other children. This allows the constitution of a minimal stock of information concerning the products available.

*"And then, em ... with regard to purchases, you start to buy things for the baby. It's a world that you might know a little indirectly; I have nephews and so I have bought them presents. I also have friends who have had children, so I'm always, you know, em (…) I also think that being a woman makes you a little softer about these things…"* [Catherine (31-year-old store manager)]

### The anticipated social role of mother through material preparation of the child's arrival

During pregnancy, women orchestrate a meticulous material preparation of the child's arrival necessary to the child's well-being. These goods correspond to two objectives: building the universe of the child (bedroom, clothing, toys and other child care goods) and preparing for maternity stay (maternity kit). Further, other consumption practices like those typical of women decrease and are replaced by consumption practices for a future baby.

*" I bought much fewer things for me, for expenses, there are Christmas then I bought for my family but for I bought much fewer I find. And I spend for her, for the baby. I spend much less than when I wasn't pregnant. It's a parenthesis, in your feminine life in fact.…"* [Sarah (28-year-old teacher)]

The material preparation is often a ritual dimension in Rook's structural acceptation (1985) with a belief system and a system of

symbolic action (Holt 1992). First, consumption helps to control the duration, which separates the pregnant woman from childbirth, i.e., the moment when the new role becomes active. Secondly, it can reduce the stress generated by the life transition (Schouten 1991a, 1991b). Finally, it allows pregnant women to adapt to the new role of motherhood. Even if the role is fully effective and recognised by the act of childbirth, a social recognition and an anticipation of the performance of the role will be operated through the material preparation. The consumption of goods becomes an indicator and an instrument of the role of mother. The material attributes have a double function: 1) to establish the role of mother through the eyes of others—object can be a vehicle (Thomsen and Sorensen 2006)—certain objects such as push chair or pram can have a strong social risk; 2) to facilitate the performance of this role before the child's arrival. Fischer and Gainer (1993) study a popular ritual in the USA known as a "baby shower". This is a prenatal party to celebrate the anticipated arrival of the baby. The authors show how this party serves to accompany the acquisition process of the role of motherhood. Young (1991), in a study of various life events, notes that consumption facilitates and validates the changes of status and role during a life transition. We choose to speak of consumer goods as "facilitators" of the role transition.

Furthermore, the involvement of family members, or people close to the couple, can be observed in the preparation of the child's arrival. This may involve an anticipated exchange of gifts, which normally takes place after the birth. The gifts do not have the same meaning when they are given after the birth. These gifts should be understood as a system of social solidarity within the complex sociocultural construction more than just an aggregate of dyadic exchange (Giesler 2006). In fact, the financial participation of the family in the preparation for childbirth—material gifts or money—symbolize its contribution to the birth (Cicchelli 2001). We can also see the role of consumption in facilitating the integration of the role of grandparents, uncles or aunts.

## GENERAL DISCUSSION

The findings are theorized in terms of the concept of the anticipation and the construction of the role of mother during the pregnancy. The preparation process of material goods ready for the unborn child's arrival, and the meanings ascribed thereto, contribute to construct the role of mother. Thus, consumption practices have not only a functional role in relation to the child's arrival but also help pregnant women to adapt to their future role. An interesting pattern can be proposed from the findings. In fact, we can define from coding process two dimensions: 1) consumption practices with a "child orientation" which are expressive of a protective role; and 2) consumption practices which are oriented towards the "social role of mother." The anticipation of the social role and status of motherhood are here emphasised. In this dimension, two functions of consumer goods can be exposed. On the one hand the material goods establish the role of mother. On the other hand, they imply an anticipated performance of the role by their purchase. As an accessory to the role, the tangible property is then a facilitator of this performance and reduces stress. Thus, the pregnancy offers an initial dramatisation of the role of mother through consumption. The major theoretical contribution of this study is the notion that consumption allows an anticipation of the forthcoming social role and status during the transitional period, at which time they are not yet in effect. Furthermore, we can see through consumption the sociocultural structure which maintains the form of social status and role of mother.

Many particularities of the framework can be exposed. First, a temporal dimension can link two stages. The new role of mother becomes increasingly solidified along the pregnancy phase. Each month of pregnancy influences both consumption of old roles and new consumption practices. Then, consumption is a result of social learning about the role of mother through the observation of direct or indirect role models. Thus the two dimensions make up a wide social interactions framework. Finally, this framework is rooted in sociocultural patterns. Then, we can suggest that consumption practices substitute for ritual practices in traditional societies.

## CONCLUSION AND RESEARCH PERSPECTIVES

Our research highlights how consumption practices offer an initial preparation and anticipated dramatisation of the role of mother. The major theoretical contribution of this study is the notion that consumption allows an anticipation of the forthcoming social role and status of mother during the transitional period, at which time they are not yet in effect. Finally, as Raulin (1986) suggests concerning childbirth that the "social birth seems to anticipate the biological birth", the birth of "mother" is socially anticipated by consumption.

The qualitative methodology is the best method to understand and capture the dynamic process of the construction of the role of mother. But some of the methodological limitations can be exposed. In fact, to enrich the findings our methodological choice should include photographic data of childcare material goods. Moreover, we could complement the data of interviews by observations in stores where pregnant women shop. Finally, the study should have been extended to another context in addition to the French context.

The present study suggests relevant developments in consumer behavior research. First, we propose as the next step of this research the exploration of the consumption practices immediately after first childbirth. Then, we are interested in exploring more specifically the transmission of consumption practices from mother to daughter in case of first-time motherhood to a daughter. This research could also be extended to the role of consumption in the passage to fatherhood, given the inability of men to become pregnant and the inherent difficulties they have in preparing for the child's arrival. Lastly, we can study the loan of objects between mothers and pregnant women through the consumer resistance theory.

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# Exploring Consumer Fanaticism: Extraordinary Devotion in the Consumption Context

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## ABSTRACT

This paper explores the phenomenon of fanaticism through qualitative in-depth interviews to learn about the characteristics associated with extraordinary devotion to consumptive objects. Findings showed inertial (addictive and obsessive-compulsive) elements associated with fanaticism, however, contrary to common portrayals, this is not always detrimental to the individual. It also showed that fanaticism involves managing the fine line between extreme levels of enthusiasm that is positive and fulfilling, versus non-sustainable borderline-dysfunctional levels of enthusiasm that may turn into something darker or problematic.

## EXTRAORDINARY CONSUMER DEVOTION

Volkswagen Beetle, Apple computers, Nike sportswear, Harley Davidson motorbikes, Louis Vuitton bags and purses, Manolo Blahník shoes, Krispy Kreme doughnuts, Hello Kitty character-goods, and Martha Stewart magazines are just a few examples of brands enjoying a "cult-like" following (Belson and Bremner 2004; Hofman 2000; Rozanski, Baum and Wolfsen 1999; Wintour 2003). To many consumers, shoes serve a simple, functional need, but according to Wintour (2003, p.6), the editor-in-chief of Vogue Magazine, "Manolo Blahník's shoes inspire fanatical devotion". Fans of Manolo Blahník profess that they "fall at his feet and worship his temple" (Wintour 2003, p.73). *Sex and the City* actress Sarah Jessica Parker adds: "By now I can run a marathon in a pair of Manolo Blahník heels. I can race out and hail a cab. I can run up Sixth Avenue at full speed. I've destroyed my feet completely, but I don't really care. What do you need your feet for anyway?" (Wintour 2003, p.128). This illustrates not only the close bonds a consumer can form with brands, but also the fanatical nature of their loyalty to some brands.

Fanaticism is defined in this study as extraordinary devotion to an object, where "devotion" as conceptualised by Pichler and Hemetsberger (2007), consists of passion, intimacy, and dedication, and "extraordinary" implies going beyond the ordinary, usual, or average level (Taylor 1991). The "object" refers to "the object of fascination", which can include a brand, product, person (e.g. celebrity), television show, or other consumption activities (e.g. sports) (Thorne and Bruner 2006).

Fanatics are inclined to insist their ideas are the correct ones, ignoring any facts or arguments that may conflict with their thoughts or beliefs (Perkinson 2002). Their enthusiasm is so extreme it is sometimes considered excessive (Passmore 2003). Examples of fanaticism to a brand, product, or activity can be found in seminal studies of extremely loyal, brand-worshipping consumers, such as core participants of brand communities, brand cults, and various subcultures of consumption (e.g. Belk and Tumbat 2005; Belk 2004; Brown, Kozinets and Sherry 2003; Celsi, Rose and Leigh 1993; Celsi 1992; Kozinets 2001; Kozinets 1997; McAlexander, Schouten and Koenig 2002; Muñiz and O'Guinn 2001; Schouten and McAlexander 1995; Thompson and Troester 2002). Studies have shown that consumers can be extremely passionate about "their" sport or product to the extent of assigning them with sacred status (e.g. Ahuvia 2005; Belk 2004; Belk, Ger and Askegaard 2003; Belk, Wallendorf and Sherry 1989; Belk, Wallendorf, Sherry, Holbrook and Roberts 1988; Funk and James 2001; Oliver 1999;

Pichler and Hemetsberger 2007; Schouten and McAlexander 1995; Whang, Allen, Sahoury and Zhang 2004). Belk and Tumbat (2005) illustrated that some Macintosh users are so passionate about the brand that they take on missionary roles and recruit new users to the brand by insisting they are the better computers. Other extremely loyal brand users, as Muñiz and Schau's (2005) study on the Apple Newton PDA (Personal Digital Assistants) community have shown, would ignore or even retaliate against suggestions to upgrade or switch to other brands.

Fanaticism is a unique form of loyalty characterised by strong, intense, and extreme levels of commitment, allegiance, devotion, passion, emotional attachment, enthusiasm, and involvement (Bristow and Sebastian 2001; Cova and Cova 2002; Funk and James 2001; McAlexander et al. 2002; Muñiz and O'Guinn 2001; Oliver 1999; Redden and Steiner 2000). A cross-disciplinary review of the existing (business, social psychology, politics, philosophy, anthropology, sociology, history, and religion) literature on fanaticism have revealed that fanaticism is often considered a difficult concept to comprehend because the use of terms such as fans, fanatics, and fanaticism, have been inconsistent and confusing (Taylor 1991; Redden and Steiner 2000). As a result, there are uncertainties as to fanaticism's core attributes, and conflicting views with regards to its dimensions. While some studies view fanaticism as normal, ordinary, and respectable (e.g. Bird 1999; Hunt, Bristol and Bashaw 1999; Jindra 1994), many others have portrayed fanaticism as being overly obsessive, excessive, extremist, intolerant, and incoherent (e.g. Gautier 2002; Hofman 2000; Perkinson 2002).

Much of the existing literature is dominated by negative portrayals of fanaticism, with suggestions that fanatics suffer psychological disorders and require psychotherapy (Ellis 1986; Firman and Gila 2002; Slobodzien n.d.). In the marketing context, literature on consumer fanatics also carries similar negative connotations. For example, Redden and Steiner (2000) suggested that fanatical consumers should be avoided because "fanatics don't think like normal people" (p.337). Similarly, Rozanski et al. (1999) warns marketers that "fanatical followers" can become a brand's greatest enemy if they feel defrauded by marketer actions (p.51). Indeed, Brown et al. (2003) showed that fanatical consumers can sometimes act as a barrier to marketer activities, such as brand relaunch.

Although fanaticism has often been portrayed in a negative light, this paper suggests that a more comprehensive account of the phenomenon requires an open-minded approach that is not heavily skewed towards the disapproval of fanatics. Fanatical consumers could be regarded as valuable customers of a brand for a variety of reasons. For example, some fanatics have extreme and passionate consumption drives, which imply heavy usage and purchase patterns (Hofman 2000). They can act as opinion leaders to bring others' attention to the brand and attract new customers (Rifkin 1999). Furthermore, fanatics will go to great personal and financial lengths to support a brand, such as by joining and actively participating in brand communities or fan cultures (Funk 1998; Muñiz and O'Guinn 2001). Their support is consistent, persistent, and resistant to any attempts at reducing this attachment, which includes the active disregard of marketing messages from competitor brands

(James 1997). Hugenberg (2002) suggests that organisations become "wealthy as a result of fan loyalty" (p.178). Therefore, the phenomenon of consumer fanaticism deserves much needed research attention, which will also contribute towards the existing understanding of loyalty.

A recent study by Thorne and Bruner (2006) identified and provided empirical support for a set of four characteristics of consumer fanaticism (said to be common to fans even across different areas of fanaticism or fan genres): internal involvement, external involvement, a desire for interaction with others, and a wish to acquire source-related material. The identification of these characteristics (which are not loaded with negativity as they often were in the preceding discussions of consumer fanaticism) was important to draw stigma away from the phenomenon and to encourage further research in the area which is still at its early stage. It is proposed that exploration of fanaticism should be open to, and considers all (positive and negative) elements associated with the phenomenon.

## METHODOLOGY

The aim of this study is to further explore the characteristics and qualities of consumer fanaticism. To do so, it is important to obtain an intimate understanding of consumer fanatics. The collection of life stories were thought to be most appropriate as they can provide in-depth understanding of an individual's past experiences that may have shaped who they are today (Atkinson 1998; Atkinson 2002; Douglas, Roberts, and Thompson 1988; Rosenthal 2005). The collection of life stories took the form of in-depth face-to-face interviews, which led informants chronologically through their lives, from childhood, through adolescence, and to adulthood, examining issues, events, and people associated with the phenomenon of interest.

The interviews were conducted over the course of eight months on a sample of consumers who were reported as 'fanatics' or have experienced the 'fanatic' label. Five individuals were recruited via purposive sampling, as interviewer-informant familiarity can enhance candour and emotional openness when the subject matter may be sensitive, particularly due to the stigma associated with the 'fanatic' label (Price, Arnould and Curasi 2000). Informants were interviewed up to five hours each, which was audio taped. Verbatim transcripts were created, and life stories were constructed, where analysis was performed via line-by-line scrutiny of data, in order to uncover new concepts and novel relationships, and to systematically develop theoretical categories (Cavana, Delahaye, and Sekaran 2001; Strauss and Corbin 1998). Data analysis was conducted based on the qualitative manipulation operations described by Spiggle (1994).

Various strategies were adopted through this study to enhance the rigor of the qualitative research. This was achieved by ensuring credibility, transferability, dependability, and confirmability. These criteria were addressed by subjecting the raw data, data analysis, and data interpretations to triangulation (via corroboration between crosschecked data, and the relevant literature) and subject review (where some participants reviewed the data interpretations and findings) at various stages of the research process.

## FINDINGS

The aim of this section is not to report on the life stories collected. Rather, it draws on selected consumer testimonials that best illustrate the emerging themes gathered from the data, representing some common characteristics and qualities of fanaticism.

### Extraordinary Loyalty & Devotion

Extraordinary loyalty and devotion implies attachment that is beyond the usual, average, or ordinary level. Loyalty and devotion implies that fanaticism is beyond simple engagements between the consumer and the object (Funk 1998; Funk and James 2001; Funk, Haugtvedt and Howard 2000). That is, the notion of loyalty and devotion considers not simply the frequency of participation, such as usage or purchase patterns, but involves emotional attachments such as feelings of passion and love, intimacy and dedication as described by Pichler and Hemetsberger (2007) and Ahuvia (2005). This can be illustrated through Whitney's (AF27) testimonials about her love of luxury fashion brands:

Whitney… "One of my big things is handbags. Absolutely *adore* handbags… I currently have one Gucci and two Louis Vuitton's, which I love, love, love, love, love… I value clothes and shoes and bags more than things like food (laughs)… I love them to pieces, I probably used them about only ten times each 'cause I don't want to damage them… they're like my little babies. They're so precious to me. If anything happened to them I'll be so upset, I really would be devastated… I won't even carry my bag if I have moisturiser on my hands, because I don't want anything tarnishing or tinting it... And then, if I get in the car with it, it sits on my lap, I won't put it on the seat, or on the floor, it stays on my lap."

This example illustrates the love Whitney feels towards the product, and her extraordinary devotion to them, including an enthusiasm that is beyond the average, usual, or ordinary level. Her enthusiasm is beyond average because many, including her friends, do not understand her obsession or excitement. She claimed that her mother "would die if she knew how much I spent on one of those bags".

Whitney's extraordinary devotion to these products can also be illustrated by the extreme level of care used to handle them, and the protection she gives them:

Whitney… "I can spot a fake a mile away. I get really angry… uni(versity) girls or high school girls carry(ing) fake LV (Louis Vuitton)… I want to just *scream* at them… (my cousins) will go why would you spend six hundred dollars on a bag (when you can get an imitation for ten dollars)? I get *reeeeally* offended, and really pissed off"

Whitney gets worked up and emotional, and appeared angry as she described and demonstrated her ferocious protection of the brand. Such passion is beyond ordinary levels considering she has also made sacrifices in her pursuit of these brands, and actively recruits new admirers to the brand:

Whitney… "(I) will stop at nothing to get it… I would eat cheap food. Or, not eat. I just find ways to save money. So that I can (make these purchases)… even essential stuff, like fixing my car, my contact lenses, I would go without… If I go for lunch with my friends and we're just like half a block away, I'll be like, let's go into (the) LV (store) and have a look… I'm slowly getting (my boyfriend) into it… I'm slowly breaking him in 'cause I just talk about it so much… there needs to be more people that understands 'cause I need more people to talk to about it and obsess about it 'cause I get really excited"

The recruitment of new users to the brand also illustrates Whitney's extraordinary devotion to the brand. It is a unique behaviour usually displayed by devoted consumers (Fournier and Yao 1997; Pimentel and Reynolds 2004; Rifkin 1999; Rozanski et al. 1999; Thorne and Bruner 2006).

Ashley (CF27) is a fanatical toy collector. She used to work at a toyshop, and currently works at a toy warehouse. She has an

enormous collection (into the "thousands" number of items) that spans across at least three rooms of the family home, as well as other areas such as the garage and shed, toilet, kitchen and dining areas, as well as the car. Of the three rooms, all surrounding wall space is covered by toys (top to bottom, and even the ceilings), and one of them has only minimal standing space, and can no longer be used as a bedroom. Ashley compares her level of fanaticism with that of her brother's:

> Ashley… "I consider myself devoted, extremely loyal… I spend a lot of money on toys… I've got a lot of shrines and they're basically just trying to show the toys better… I did that at the toyshop [which she worked for, for four years]… I really took great pride in it. A lot of people at toyshops do it for a job but I'd make sure that all the Mattel stuff was all together and I'd make sure that all the Spiderman stuff was there… I missed my toys… I missed looking at them… I don't have time to set them up properly and I really want to but I can't really take time off work to set up my toys. Does that make me non-fanatical now?... I'm not as fanatical, Ben is a definite fanatic yeah he is... he's quite fanatical. And I sort of got caught up through it through him… 'cause' he's got such a passion for it… You should talk to him and you won't be able to shut him up if he starts talking about his toys and you will never, ever shut him up..."

Ashley explained that she misses her toys when she is away from them, which illustrates a strong level of emotional attachment to them. She feels that they need to be organised "properly" (e.g. into shrines of similar toys), but appears to be torn as she does not have the time to do so. Although, Ashley clearly shows devotion to toys beyond the ordinary level, she classifies herself as being less fanatical than her brother whom she believes initiated her interest and love of toys. This suggests that perhaps various forms or levels of fanaticism may exist to characterise different levels and extent of devotion to an object.

### Extreme Enthusiasm

Fanaticism often involves such extreme behaviours, and is often at such a high level of intensity that sometimes its pursuit cannot be sustained over long periods of time (in which case, the consumer may take a temporary break from his or her involvement). For this reason, much of the existing literature on fanatics has dismissed fanatics and fanatical behaviour as being "crazed" while mistakenly portraying it as being detrimental, destructive, dysfunctional, or counter-productive (Faber, O'Guinn and Krych 1987; Pollay 1987; Redden and Steiner 2000; Steiner 2004). Although sometimes arguably detrimental if sustained over long periods of time, the data showed that the consumer is often conscious and aware of this, and tends to exercise self-control to avoid any morbid or excessively negative consequences. For example, Anthony (AM24), who is a car model collector, explained:

> Anthony… "Car collection, it takes up most of my time, and most of my money as well. So I'm definitely devoted as such. Got over five hundred car models, and it doesn't seem like it's going to slow down anytime soon… (It's) a financial drain at this stage, losing all the money… I'm probably a little more crazy than I should be about cars… I've been trying to go on a mission of 90 days not-buying-a-car-model 'cause I was literally buying around two or three models a week. It was just getting out of hand. My room is just full of cars. And even then half of them are packed up in the boxes 'cause I have no space in my room."

Since Anthony feels that his involvement has reached a point of being "a bit too high", he tried to control it by consciously avoiding purchases for a set timeframe. This is his temporary escape from the intense level of involvement in his pursuit, which may otherwise be difficult to sustain over long periods of time.

Ashley's comments also demonstrated an awareness of the non-sustainable aspect of her extreme enthusiasm for toys:

> Ashley… "I spend a lot of money on toys… It's not ridiculous. If I need to spend money on something else that week, then I'll spend it on something else… I've had friends who think I'm crazy because they go, how can you spend all your money on that and not save up to buy a car or something. I'm like, well, it makes me happy… Some things I have to hold back on though. When I started my job at the toyshop, I had to *not* collect Beanie Kids because you know Beanie Kids, there's millions of them. I couldn't start or else I would have just gone broke but the bad thing was that my Canadian friends, I got them Beanie Kids when they went away and one of their presents back to me was a Beanie Kid and I'm like, no! You can't give me a Beanie Kid because now I have to start collecting them! So I've got four now and I'm very controlled."

Ashley appears to be aware of aspects of toy collecting that may lead to negative consequences, and manages her toy collecting carefully to avoid these circumstances. She is sensible with her spending, and would prioritise her expenses and responsibilities before attending to her toy purchases and acquisitions. These examples show that perhaps consumers who exercise self-control can avoid fanaticism turning into the darker and potentially problematic forms often portrayed in the existing literature on fanaticism.

### Inertial Involvement & Behaviour

Another reason fanaticism is often dismissed as dysfunctional is that it is sometimes associated with elements of obsessive-compulsive consumption and addiction-like behaviours (e.g. DePaulo, Rubin and Milner 1987; Redden and Steiner 2000; Scammon 1987). Addiction and obsessive-compulsive behaviours are often considered disorders that are intrusive to individuals and ultimately cause harm to them or to others (Doran and Kyrios 2005; Hirschman 1992; Moulding and Kyrios 2006; Pollak 1986). The data showed that consumer fanaticism often involves addictive and compulsive elements:

> Anthony… "Sometimes I feel compelled to buy. Sometimes I just feel like I need to buy for the sake of buying. But that's only been a couple of times… It sometimes gets (to the point of being) like somebody who is suffering from obsessive compulsive behaviour, it sometimes can be like that, where you're just buying for the sake of buying, not actually enjoying the model or the car, the purpose of it is totally defeated, you can't control it."

Anthony's descriptions appear to fit the definition of compulsive consumption, "a response to an uncontrollable drive to obtain, use, or experience a feeling, substance, or activity that leads an individual to repeatedly engage in a behaviour" (Hirschman 1992, p.158). However, rather than conceptualising this as a form of "uncontrollable" or compulsive behaviour, which often carries negative connotations because compulsive consumption is linked to consequences that "ultimately cause harm to the individual and/or to others" (Hirschman 1992, p.158), it may be more appropriate

to view this as a form of inertial behaviour–a drive or desire to interact with the consumptive object, which is not always linked to negative outcomes detrimental to the individual or to others.

Anthony… "There are different ways of being addicted. One is really extreme where you set up your house or whatever and you literally are just living for the thing, like the car, that sort of addiction takes a negative turn. The other addiction is probably (to do with being) a little bit more than obsessed about it. You constantly go looking for it to buy rather than being in the surrounding. In my case, I actually go to hobby shops and look for new hobby shops to find the particular car model if I'm after something. So I am so far in the positive addiction because it hasn't affected me negatively to the point where I'm putting all my social commitments around the collection or postponing a house or mortgage or anything like that because I need to buy that car model. So far it hasn't reached that."

Anthony's involvement with car model collecting appears to qualify as a form of process addiction, defined as "a series of activities or interactions that "hook" a person, or on which a person becomes dependent" (Schaef and Fassel 1988, p.58). For example, he feels compelled to buy through the inertia of fanaticism, and is hooked onto the act of constantly seeking out hobby shops to find and buy car models. He also shows other characteristics of addiction detailed in Schaef and Fassel (1988), including the tendency to deny the presence of the effect of addictions. For example, Anthony claims that car model collecting "has not affected me negatively to the point where I'm… postponing a house or mortgage", yet he has been unable to accumulate enough savings to take out a mortgage for the purchase of a house (and in effect, *has* placed buying a house on hold). The tendency to see addictive behaviour and processes as normal is another characteristic of addiction (Schaef and Fassel 1988). This can be seen in Anthony's suggestion of "I am so far in the positive addiction". Isolation and the illusion of control are also characteristics of addiction (Celsi, Rose and Leigh 1993; Schaef and Fassel 1988), and are evident in Anthony's explanations of "I like my own company a little more", and his attempts at enforcing rules (i.e. control) over not buying car models. His attempt at enforcing rules on purchasing is an illusion of control because Anthony has been unsuccessful at several attempts to curb his purchases.

It is important to note that contrary to common portrayals of addiction and obsessive-compulsive behaviours, the consequences here are not as morbid and detrimental as that resulting from pathological addiction (such as to drugs or alcohol), or other forms of consumer addiction (e.g. in DePaulo et al. 1987; Faber et al. 1987; Hirschman 1992). The data showed that some forms of fanaticism do not necessarily result in the same severe negative consequences that are generally associated with addiction and obsessive-compulsion. For example, Anthony's fanaticism has not had a detrimental effect on other areas of his life (i.e. it has not interfered with his ability to meet everyday responsibilities and performance at work). However, a stigma attached to the term 'fanatic' is apparent, with Anthony's refusal to be labelled one.

Anthony… "If I was a true fanatic, it's like my house would be shaped like a car, my bed would be like a car, I'll always wear something with a car on it… or my pen would be designed by Porsche or something like that. I haven't reached that stage yet. I think that's my definition, like, everything around you is just a reminder of what you're interested in… sometimes I think being a complete fanatic means you are entering a bit of negativity".

Although Anthony does not see himself as a fanatic, who he defines as someone that surrounds themselves with reminders of their interest, it was revealed that he in fact always keeps reminders of car models near him; two miniature car models which are kept in his bag and which he takes into the office everyday. He called this his "security blanket"; making him a fanatic by his own definition.

## Consumption as an "End to Itself"

In an attempt to define fanatic consumption, Lehmann (1987) suggested that "a fanatic devotee of anything continues the activity at least partly because the activity is an end to itself" (p.129). Evidence of consumption as an end to itself in fanaticism can be found in conversations with Ashley. In relation to her toy collection, Ashley explains that she thinks "it would be good to have a goal with it", such as being able to build a toy museum "to show the toys better", however, she comes to the realisation and describes toy collecting and its display and maintenance as "a never ending thing" and that "there's no end. None at all".

Anthony's comments also illustrated fanaticism as a consumption activity continued at least partly as an end to itself:

Anthony… "There's no goal in it… with a book there is a goal, once you start you have to finish it. With the car model collection, it's like, I don't see an end as such just yet. The fun hasn't gone yet. So I'll keep doing it until it starts to bore me. But I don't think that'll happen anytime soon"

In Anthony's case, he collects car models simply for the sake of having them and being able to have more of them close to him. This may resemble materialism, in that the acquisition of products may appear "mindless" and without purpose (Richins 2004; Richins, McKeage and Najjar 1992). However, consumption as an end in itself emphasises the experiential aspect of consumption, such as the fun aspect of the act of collecting (e.g. Holbrook and Hirschman 1982), whereas materialism emphasises the endlessly increasing goals of material acquisition and possession (Richins 2004; Richins et al. 1992). Contrary to materialism, Anthony's collecting is not driven by the goal of acquiring *more* car models, but it is done for fun and for having them near him as his "security blanket". Similarly, Jonathan (CM28), a self-confessed sports fanatic, explained:

Jonathan… "(Sports is) more an end to itself rather than anything else, and I just do it because I enjoy it…sometimes you play sport for fitness and stuff like that, I do that sometimes, but most of the times, it's just to enjoy it and do something that I like doing".

Jonathan used to train as a junior professional golfer, but he gave up golfing in high school due to the excessive pressure and the lack of enjoyment. He stopped playing golf for many years before "picking up" the sport again upon entering the workforce. He now plays golf frequently as a form of leisure activity, and is a fan of a football club, soccer team, and golf in general. Jonathan believes he is "brand loyal to sports" because he would "spend over half of the time that I've got remaining left in my life that I could spend on something, on sport" (e.g. "if I took out work and sleep and then daily chores and things like that, then of the remaining time, be whatever it is, I reckon I'd spend 60 to 70 percent of that time watching sport or doing something to do with sport and then I'd probably drill into some of that at work"). Similar to other consumer fanatics, Jonathan believes there are no goals driving his extreme devotion to sports. He "love(s) the side [i.e. his favourite team], and still love the sport… no matter how well or how poorly the sides are doing". His passion for sport is simply driven by the enjoyment it

brings. This suggests that fanaticism may be driven by the experiential (such as the intangible, non-utilitarian, symbolic, and hedonic) aspects of consumption, and that the process of consumption is intimately linked and may form part of the fanatic's goal of consumption. Thus, to better understand consumer fanaticism, research should not only focus on the consumer's enjoyment of the product, but also explore the associated process(es), as well as the underlying goals driving consumption.

**Personal Self-Sustaining Phenomenon**

Much of the existing literature places extreme brand loyalty in a social context of brand communities or consumption cultures (e.g. Belk and Tumbat 2005; Clesi, Rose and Leigh 1993; Kozinets 2001; Kozinets 1997; McAlexander, Kim and Roberts 2003; McAlexander et al. 2002; Muñiz and O'Guinn 2001; Muñiz and Schau 2005; Oliver 1999; Rifkin 1999; Rifkin 1997a; Rifkin 1997b; Shouten and McAlexander 1995). However, there is evidence to suggest that fanaticism can be an intensely personal phenomenon, which can occur in the absence of a group or social context. This departs from Oliver's (1999) proposal of the "ultimate loyalty state" (which is said to occur when community and social support provides the "impetus to remain loyal" (p.38)), because a consumer fanatic can be just as loyal without the support from their surrounding social network or community. This was shown in Whitney's case of continued devotion to luxury brands despite her friends' and mother's disapproval. She shows little care for what others may think, and would even be offended if someone criticises her extreme involvement. She explained:

> Whitney… "They don't know anything about it and for them to just say something insulting. It's offensive to me. Even my own relatives, like I said to you before, when my cousin said bad stuff (about Louis Vuitton), I get really offended. I get defensive. I would fully argue with them… because I spend so much money on it, I take so much pride in caring for it, and for you to just insult it like that, is a direct insult to me. It would be as if someone said your baby was ugly"

Whitney's extreme devotion to the brand continues despite disapproval from her cousin. She also claims to have no friends that share her passion, explaining that she would like "more people that understands". This illustrates that her enthusiasm for the brand can be sustained even without a supporting social network. Similarly, Anthony's car model collecting is private because he will not actively reveal his passion to others:

> Anthony… "Definitely more of a personal thing… (because) it's not like I'm trying to build a social club or a network… Socially, I have friends and stuff, but I like my own company a little more (laughs)"

Anthony does not participate in collectors' communities and would rarely show others his collection. Furthermore, his extreme devotion to car model collecting pervades without a supporting social network. This suggests that extreme devotion and loyalty to brands is not limited to only occurring in social contexts.

## DISCUSSION

The exploration of consumer fanaticism has led to further insights into the characteristics and qualities associated with this phenomenon, which were identified to include extraordinary loyalty and devotion, extreme enthusiasm, inertial (addictive and obsessive-compulsive) involvement, and consumption as an end to itself. The findings showed that fanaticism is characterised by high levels of loyalty and devotion that is beyond the average, usual, or ordinary level. The consumer has a strong emotional attachment to the object, which is associated with feelings of passion, love, and dedication as described in Pichler and Hemetsberger (2007) and Ahuvia (2005). However, the notion of extraordinary loyalty and devotion alone do not seem adequate in capturing the phenomenon of consumer fanaticism. Fanaticism seems to also be characterised by intense levels of enthusiasm and involvement so extreme it comes close to the dysfunctional borderline. Findings showed that the consumer fanatic's involvement can reach a point of being "too high" that, if sustained over long periods of time, may result in negative consequences. There is evidence to suggest, however, that the fanatic is aware of this and consciously attempts to control his or her involvement in order to prevent fanaticism turning into something darker or problematic (although some has shown to struggle occasionally).

The findings also showed that fanaticism involves addictive and compulsive elements, where the consumer feels "compelled to buy". However, contrary to common descriptions of addiction and obsessive-compulsive behaviours, the inertial involvement aspect of fanaticism does not usually lead to morbid consequences that are detrimental to the consumer or harms others.

It appears that consumer fanatics tend to sometimes engage in consumption at least partly as an end in itself, rather than a means to an end (Lehmann 1987). Although consumption as an end in itself can resemble materialism, where consumers consume for the sake of increasing material wealth and possession, consumption as an end in itself in the context of consumer fanaticism does not always involve acquisition of (more) products. This suggests that perhaps some consumer fanatics may be attracted to the experiential aspects of the consumption activity. Future research should further explore the experiential and intangible components, such as the feelings and emotions, associated with the enthusiastic pursuit of a passion.

The characteristics and qualities of consumer fanaticism identified in this study is different to those identified by Thorne and Bruner (2006) in that the characteristics proposed here emphasise the high levels of intensity and the strong emotional elements that are unique to and representative of consumer fanaticism. We feel that it is important to include the quality of "going beyond ordinary levels" towards extreme and almost borderline-dysfunctional forms of enthusiasm and devotion, in order to capture the phenomenon of consumer fanaticism more accurately.

This study led to some explanations for the stigma often associated with the phenomenon of fanaticism. For example, its close resemblance to addiction and obsessive-compulsive behaviours has led to the common mistake of dismissing it as a disorder. This suggests a need for future research to focus on the non-dysfunctional forms of fanaticism, especially because there is much need to understand the drivers and transitions that lead consumers to extreme levels of loyalty. For example, Oliver (1999) who developed a brand loyalty framework suggested a need to understand the "transitioning mechanisms" that move consumers to the state of ultimate loyalty where they "become near-zealots on the basis of adoration and devotion" towards the brand. Similarly, the need to investigate how individuals result at the "apex" of loyalty is emphasised in other conceptual papers (e.g. Funk and James 2001; Hunt et al. 1999).

The findings also revealed that fanaticism is not limited to only occurring in a social or group context as portrayed in much of the existing (e.g. brand communities and consumption subcultures) literature capturing extreme loyalty. New insights can be discovered through extending existing research with an alternative approach of exploring extreme loyalty and devotion to consumptive

objects that occurs in the absence of community or social support. Such intense and private interactions with brands have been overlooked (Pichler and Hemetsberger 2007). Questions that remain unanswered include: How does it sustain and why does it continue if there are no social drivers or motivators? Many have studied fans as a collective, showing social reasons for extreme devotion, however, without social reasons of obligation and conformity based on the desire for group acceptance, why do consumers continue to be so devoted? An exploration of the non-social influences that drive individual consumer fanatics' transition towards extreme loyalty and devotion will provide interesting insights.

Research conducted for this paper is exploratory, and further investigation is required to extend our understanding of this phenomenon. In particular, what drives and sustains this unique and extraordinary level of loyalty and devotion is still unclear (Funk and James 2001; Hunt et al. 1999; Oliver 1999). It is recommended that future research should be based on the collection of life stories, as this method allows exploration of the history of the individual and the influences that give rise to their involvement as a fanatic (Taylor 1991), thus allowing us to understand one's developmental progression towards fanaticism. Insights on the developmental progression towards fanaticism will also contribute towards the existing understanding of the loyalty construct.

## CONCLUSION

The aim of this paper was to explore the phenomenon of consumer fanaticism in order to bring clarity to our understanding of its nature, characteristics, and qualities. This study found that the key defining quality of fanaticism is a strong emotional attachment in the form of loyalty and devotion beyond the ordinary, usual, or average level, coupled with levels of enthusiasm and involvement so extreme, it may be difficult to sustain over long periods of time, and can be considered close to the borderline of being "dysfunctional". Fanaticism appears to also have addictive and obsessive-compulsive aspects, but evidence suggests that this can be controlled by the individual to avoid any severely negative consequences, and thus, unlike many existing portrayals, fanaticism do not usually cause harm to the consumer and to others. It is proposed that further research into consumer fanaticism is necessary, particularly for understanding the development and drivers of extreme levels of loyalty and devotion. This will allow bridging gaps and consolidating conflicting views amongst different disciplines particularly in terms of the positive and negative aspects of fanaticism.

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# Are McNoodles and McDonald's Kinship Connected?
## Effects of Linguistic Information on Consumers' Categorization of New Products

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### ABSTRACT

This paper examines how consumers process prefixed brand names (e.g., iTunes, iPod, iPhone) from a categorization perspective. Our attention primarily focuses on two category features, which are prefix and product similarity. Results of two studies using real (i.e., McDonald's) and fictitious brand names as stimuli demonstrate that the likelihood that consumers would consider a prefixed brand name (e.g., McNoodles) as affiliated with a master brand (e.g., McDonald's) is jointly determined by (1) the diagnosticity of prefix, and (2) the similarity between focal product and master brand. More importantly, prefix which is proposed to be processed earlier was found to be able to bias consumers' perception of product similarity, lending support to a sequential categorization process model.

### INTRODUCTION

Consider two brand names: MacNoodles and iDog. What immediately comes to your mind? Will you guess that the MacNoodles is also a kind of fast food? Will you think iDog is an electronic toy which is offered by the Apple Company? The answers might be mixed. These example represent a ubiquitous branding strategy called prefixed branding or linked brand names (Aaker 2004) which has been largely neglected by consumer researchers. The prefixed branding strategy, whereby the new endorsed brand shares a prefix (broadly defined here) with the endorser, is becoming increasingly prevalent among marketers. The motivation of using prefixed brand names is that the prefix can provide a compact but strong link to the endorser. At the same time, the prefixed branding may be better than brand extension because it allows a way to have multiple distinct brands, each with its unique personality and associations (Aaker 2004). Companies adopting this strategy include Apple (iPod, iTunes, iPhone, and iBook) and IBM (now Lenovo) (ThinkPad, ThinkCentre, ThinkVantage, and ThinkPlus).

The research resources devoted to the prefixed branding phenomenon, however, is asymmetrically rare. To maximize the benefits and minimize potential problems (e.g., brand infringement[2]) of this strategy, marketers therefore are eager to understand how consumer process and respond to these prefixed brand names.

The present article is to fill this gap. We propose that the nature of consumers' processing of prefixed brands is a kind of categorization judgments. Under this theoretical framework, we aim to answer these questions as following: 1) what kinds of prefixes are more effective for prefixed branding, 2) how could a prefix impact on consumers' categorization of prefixed brand names, and 3) when could prefixed branding elicit more impact on consumers' judgments?

The article is organized in the following manner: first we present literature pertaining to peoples' categorization process; we then from an information processing perspective propose a sequential categorization theory modeling consumers' processing of prefixed brand names; hypotheses will be formulated in this part as well; two experiments are subsequently presented. We conclude with a discussion of the results, implication for categorization research and brand management.

### CONCEPTUAL FRAMEWORK

Categorization theory is borrowed to address the question previously raised. We suggest that consumers' perception and processing of prefixed brand names is a kind of categorization judgment.

Categorization has been one of the most fundamental mechanisms in consumers' information processing. People are expected to employ such a strategy especially when diagnostic information, such as product performance, is unperceivable (Sujan 1985; for a review, see Loken 2006). Take brand extension for example, when an extension (e.g., popcorn) could be categorized as a typical member of the parent brand (e.g., Coca-Cola), the beliefs and affect associated with the parent brand will transfer to that extension to help consumers quickly form an evaluation (Park, Milberg, and Lawson 1991).

#### Similarity Comparison and Feature Diagnosticity

Psychologists and consumer researchers have proposed many theories (for reviews, see Cohen and Basu 1987; Smith and Medin 1981) to model consumers' categorization process. These theories share a common assumption that categorization involves a similarity comparison process (Murphy 2002). A number of studies demonstrated that the target item is judged to be a category member if and only if it provides a sufficient match to prototypes or exemplars (Rosch 1978), and a sufficient match requires accumulating a critical sum of feature diagnosticity. In categorization research, feature diagnosticity reflects the accuracy that a feature can predict a category membership (Ahn et al. 2000).

A prevalent model bearing on feature diagnosticity was proposed by Rosch and Mervis (1975). From a family resemblance perspective, the authors suggested that the most prototypical members within a category are those which bear the greatest family resemblance to other members of their own category and have the least overlap with other categories. Therefore, a category feature is most diagnostic when it is shared by in-group members as prevalent as possible, and shared by out-group members as rare as possible. The latter point could be illustrated by persons' names. For example, George Leonard and Sherry Leonard are more likely to be considered as members of one family, relative to George Smith and Sherry Smith, because as a category feature, "Leonard" is less frequently shared by irrelevant categories, compared to "Smith", although both are shared by all in-group members within each category.

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[2]The MacNoodles is a real case happened in Singapore. In 1995, the FE applied to register "MacChocolate", "MacTea", and "MacNoodles" as trademarks in relation to its instant cocoa mix, tea, and noodles. The McDonald's, however, opposed this registration, arguing that the public will assume that the products may originate from McDonald's (for details, see Leong and Lwin 2006).

**FIGURE 1**

A Flowchart Describing Consumers' Processing of Prefixed Brand Names
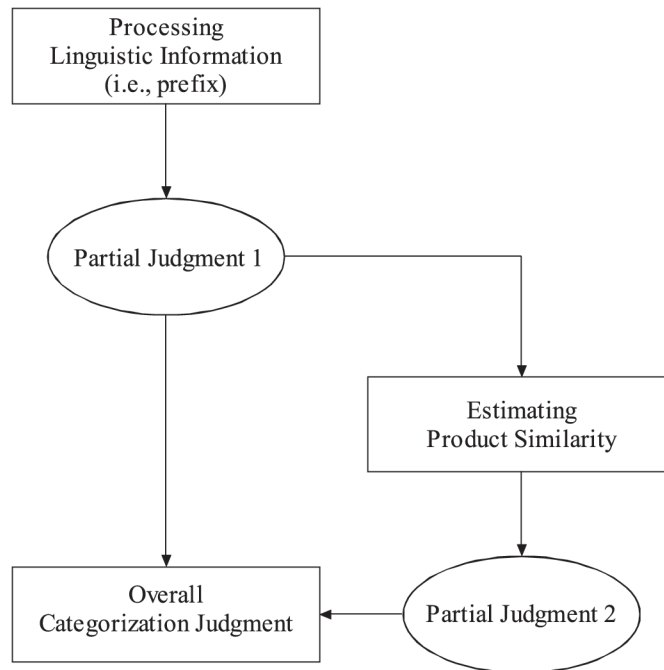


## Effects of Prefix and Product Similarity

*Property of Prefix*. We extend Rosch and Mervis's (1975) model to investigate consumers' processing of prefixed names. Firstly, we propose that a prefix is diagnostic to the extent that it is shared by all the members of its own category. Suppose in the Apple's brand family only a few subbrands begin with the prefix "i" while others do not, consumers would be less likely to activate a connection between the prefix "i" and Apple and subsequently to consider a new prefixed brand name (e.g., iTalk) as affiliated with Apple.

Secondly, Leonard-Smith example implies that the rarer a prefix, the more likely consumers will infer that a new prefixed brand is endorsed by that master brand, and more likely positive attitude associated with the master brand will transfer to the new product. In converse, if the prefix is commonly used by different irrelevant brands, consumers are less confident to judge that a new brand with this prefix has some relationship with that master brand. Thus, suppose a new brand shares the same prefix with a master brand, we hypothesize that:

H1: Consumers are more likely to judge a prefixed brand as endorsed by a master brand if *a)* many names under the parent brand have the same prefix; *b)* the prefix is not used by other irrelevant brands.

*Product Similarity*. Another property of a prefixed brand which could influence categorization result is product similarity. Research bearing on brand extension has robustly established that consumers' extension evaluation is largely determined by the similarity between extension and parent brand. Aaker and Keller (1990), for example, demonstrated that participants evaluated Haagen-Dazs candy bar much more favorably than Haagen-Dazs cottage cheese (*M*s=4.81 and 3.13, respectively). Similarly, it is straightforward for us to expect that consumers' attitude toward a

prefixed brand will be more favorable if it is in a similar industry as the master brand.

H2: Consumers are more likely to judge a prefixed brand as endorsed by a master brand if this brand is in a similar product category to the master brand.

## Some Gaps

Hypothesis 1 and 2 investigate the effects of category features on categorization result independently. How consumers process these different features together remains unclear. Are these features processed simultaneously or piece by piece? Will features interact with each other? If yes, how will they interact?

These unanswered questions reflect some gaps in previous literature. First of all, previous categorization theories considered category features as orthogonal. Psychologists, however, have repeatedly demonstrated that consumers tend to process information in light of previously processed materials. Therefore, it is reasonable to suspect that category features may interact with each other. Secondly, previous categorization studies treated feature similarity as a fixed property and it could always be correctly activated from memory.

## A Sequential Categorization Model

To answer these questions, we propose a sequential categorization model modeling consumers' categorization process from an information processing perspective. Briefly speaking, this model consists of three assumptions: first, we assume that various category features are processes in a sequential manner; secondly, we suggest that such a sequence is determined by the varying perceptibility of different category features; this model lastly proposes that the early processed features can bias consumers' interpretation of later processes category features, as well as the overall categorization judgment (see figure 1).

*Sequential Assumption.* Sequential assumption has been widely adopted by information processing literature. Fiske and Neuberg (1990), for example, proposed a continuum model where consumers are theorized to process information in a progressive manner. Specifically, consumer would make an initial categorization immediately after encountering a person on the basis of information that becomes accessible concurrently with the initial perception of target individual. Consumers then may attend to, search, and process additional information under certain conditions and this information will finally be integrated with initial judgment. Research on information presentation order also provided substantial support to the sequential assumption (e.g., Bettman et al. 1988).

*Perceptibility: A Determinant of Processing Sequence.* Under the framework of sequential processing, how to determine the processing sequence becomes a crucial question. To answer this question, we introduce a concept of feature perceptibility which refers to the readiness of being processed (Bruner 1957). This concept comes from the distinction between perceptual and conceptual information. Perceptual features refer to these features which could be directly perceived by our sensory system, such as shape and color, whereas conceptual features are those semantic features which are more abstract and convey a deeper understanding of the category (John and Sujan 1990).

Information of different perceptibility varies in many ways. One of the most fundamental difference is that compared with less perceptual features, more perceptual features are much easier to process and will require less cognitive effort which is limited in capacity. On the basis of this difference, we propose that more perceptual features should be processed in prior to less perceptual features. This assumption is in line with the cognitive economy assumption which holds that low-effort processing mode is the "default processing mode" of consumer's cognition (Smith and DeCoster 1999), and people will process in this way unless special circumstances intervene (p. 324).

In many situations information could hardly be absolutely labeled as perceptual or conceptual, this research holds that perceptibility is a matter of degree. Different category features will be differentiated as of more and less perceptibility. Under the context of prefixed brands, we suggest that prefix is more perceptual information which could be easily received and processed by consumers while product similarity is a kind of conceptual information, the processing of which requires more cognitive resources.

*The Interplay of Prefix and Product Similarity.* The sequential processing assumption brings out another important issue: is consumers' processing of different features a statically additive or instead a dynamically interactive process? Our model suggests an interaction effect between two types of category features. Psychological literature bearing on primacy effect (Lingle and Ostrom 1979) and hypothesis testing theory (e.g., Snyder et al. 1979) suggest that consumers would form their hypotheses on the basis of first processed information or previously held beliefs, and these hypotheses bias their interpretation of subsequent information. Just following this research line, we suggest that consumers would like to form an initial judgment immediately after seeing prefixed names. This is similar to the stage of initial categorization proposed by Fiske and Neuberg (1990). This initial categorization can operate in much the same way as hypotheses, expectations, or current concerns (Yeung and Wyer 2004). In specific, if consumers hypothesize something, they are more likely to looking for evidences to confirm it, neglecting other contradicting information. They will selectively interpret evidences to support their hypotheses and could even "see" what does not exist (i.e., illusionary covariation; see Nickerson 1998, for a review of "confirmation bias"). In our research, for example, if someone is convinced by the "Mc" prefix that a Chinese restaurant named "McChina" is introduced by McDonald's, s/he will argue that both Chinese restaurant and Western fast food are in the same food industry. On the contrary, if individuals think that the "Mc" prefix could be seen everywhere and can not serve as a reliable indicator of McDonald's, they are more likely interpret Chinese food and Western fast food as two totally different things. Previous literature (for a review, see Nickerson 1998) also suggests that such a confirmation bias is more likely to occur if subsequently processed information is ambiguous and thereby is open to multiple interpretations. More formally,

H3: The overall classification judgments will be biased toward consumers' initial judgments about prefix diagnosticity. This effect is mediated by consumers' biased estimation of product similarity and will be moderated by the ambiguity of product similarity. In specific, the more ambiguous the product similarity, the more significant such an interaction will be.

## STUDY1

**Method**

*Sample and Design.* Study 1 was designed to test hypothesis 1a, hypothesis 2, and hypothesis 3, and employed a 3 (prefix diagnosticity: high vs. low vs. control) X 3 (product similarity: dissimilar, moderately similar, vs. similar) between subjects design. Participants were 221 undergraduate students of a middle-sized university in Hong Kong. They were randomly assigned to those nine conditions.

*Stimuli and Procedure.* The first independent variable of this study is prefix diagnosticity, which could be operationalized in two ways according to hypothesis 1a and 1b. We used McDonald's which is well-known among subjects as a stimulus. Under the McDonald's umbrella, many of its prefixed brands (McChicken, McKids, McMuffin, and McEggs) have a prefix of "Mc", but a few (MacFries) may not. In this occasion, we inferred that Mc is more diagnostic than Mac. Accordingly, subjects in the high diagnostic prefix condition would be exposed to a new brand name which has a prefix of Mc, while those in low diagnostic prefix condition received brand names beginning with Mac.

Product similarity, another important independent variable, was manipulated on the basis of pretests. Three product categories, such as rice burger, noodles, and chocolate, were selected to represent high, moderate, and low similarity ($M$s=4.23, 3.65, and 2.77, $p<.01$).

Subjects in the six experimental groups were informed that the research was designed to understand their opinion toward a forthcoming product (e.g., McNoodles). "According to inside information, a new kind of product (e.g., instant noodles) named McSomething (e.g., McNoodles) will soon be available on the Hong Kong market. In your mind, how likely is this McSomething produced by or affiliated with McDonald's"? Subjects were required to rate the likeability on a seven-point scale, ranging from 1 (*very unlikely*) to 7 (*very likely*). After that three items (adopted from Aaker and Keller 1990; $\alpha$=.77) were used to measure their perceived product similarity between new product (e.g., instant noodles) and McDonald's hamburger. Subjects then were asked to judge the persuasiveness or diagnosticity of specific prefix, to rate their overall attitude toward McDonald's, as well as the familiarity with these products. In the control group where no prefix was presented, subjects were required to rate product similarity and other dependent variables.

**FIGURE 2**
Comparison of Means in Study 1
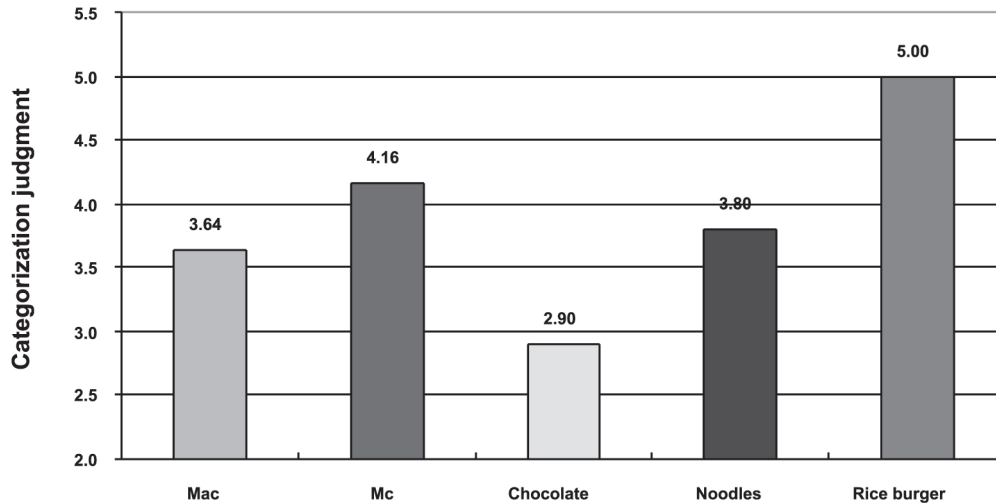


## Results

*Manipulation Checks*. In order to check our manipulation of product similarity, we calculated the difference of similarity judgments among three groups. The result demonstrated that participants' perceived product similarity was significantly influenced by the manipulation ($Ms$=2.89, 3.70, and 4.41, respectively, $F$ (2, 221)=36.65, $p$<.0001). This implies that our manipulation in this experiment was successful. Similarly, the difference between prefix persuasiveness is significant as well ($p$<.05).

*Effects of Prefix and Product Similarity on Categorization Judgment*. Hypothesis 1 and 2 predict two main effects of prefix diagnosticity and product similarity on categorization judgments: high prefix diagnosticity and product similarity each will independently increase the possibility that consumers would consider a new prefixed brand as affiliated with a master brand. The pattern of means is consistent with this prediction, as shown in figure 2. The differences between these means are significant, as for prefix diagnosticity, $Ms$=3.64 vs. 4.16, $F$ (1, 146)=3.66, $p$<.06; as for product similarity, $Ms$=2.90, 3.80, and 5.00, respectively, $F$ (2, 146)=20.97, $p$<.0001. The outcome therefore supports our hypotheses that both prefix and product similarity can impact on consumers' categorization of a new prefixed brand.

*Testing Interaction Effect*. We also predicted an interaction between prefix diagnosticity and product similarity, with the effect of prefix being greater when product similarity was ambiguous to judge. The results of ANOVA demonstrates that the interaction between prefix diagnosticity and product similarity is significant, confirming our interaction hypothesis ($F$ (2, 146)=3.93, $p$<.03, see table 1). As we suggested, such an interaction effect was caused by confirmation bias where consumers' interpretation of later processed information is usually biased toward these earlier processed materials. Such a confirmation bias is very likely to happen when later processed information is unclear or uncertain and thereby open to multiple interpretations. Specific to this research, consumers' interpretation of product similarity is expected to be biased toward consumers' judgment about prefix, especially when product similarity is ambiguous. To examine this mediating interpretation, three one-way ANOVAs were performed. The result showed that such a

biased interpretation of product similarity really happened in the ambiguous condition (i.e., noodles), but not in other two extreme conditions (i.e., chocolate and rice burger). As shown in figure 3, consumers' perceived similarity between noodles and hamburger was improved when prefix diagnosticity increases ($Ms$=3.13, 2.63, and 3.70, respectively), and such a difference was significant ($F$ (2, 70)=4.18, $p$<.02).

Therefore, hypothesis 1a and hypothesis 2, together with its underlying mechanism (H3), are all supported.

## Discussion

Generally our hypotheses are all empirically supported, yet we realized that using real brand names (i.e., McDonald's) as stimulus has some problems.

Firstly, the categorization process usually includes a retrieval procedure which could not be controlled in study 1. After seeing the Mc prefixed brand names such as McNoodles, various brand names may come to different subjects' brains. For example, some one may activate brand names as McChiken and McMuffin which are quite similar to noodles; some subjects on the other hand, may activate something like McKids which is a less typical product under the Mc prefix. Although we explicitly reminded participants to make their similarity judgments on the basis of McDonald's hamburger, we have little knowledge about what the real process was.

In addition, we also noticed that using real brand names may also influence subjects' perceived diagnosticity of prefixes. In our study 1, we assume that consumers would perceive Mc as more diagnostic than Mac since the latter is less widely shared within the McDonald's category. That is, only very few brands such as MacFries use the Mac prefix whereas the remaining majority all begin with the prefix of Mc. However, the actual retrieving may not be the case since McDonald's many products are named in Chinese in the Hong Kong market. Therefore, Hong Kong subjects may not be aware of those brand names and their difference as we predicted. To solve these problems, the second study was conducted where hypothetical brand names were created and used, thereby minimizing the uncertainty of subjects' information activation.

**FIGURE 3**
The Biasing Effect of Prefix on Product Similarity Estimation in Study 1
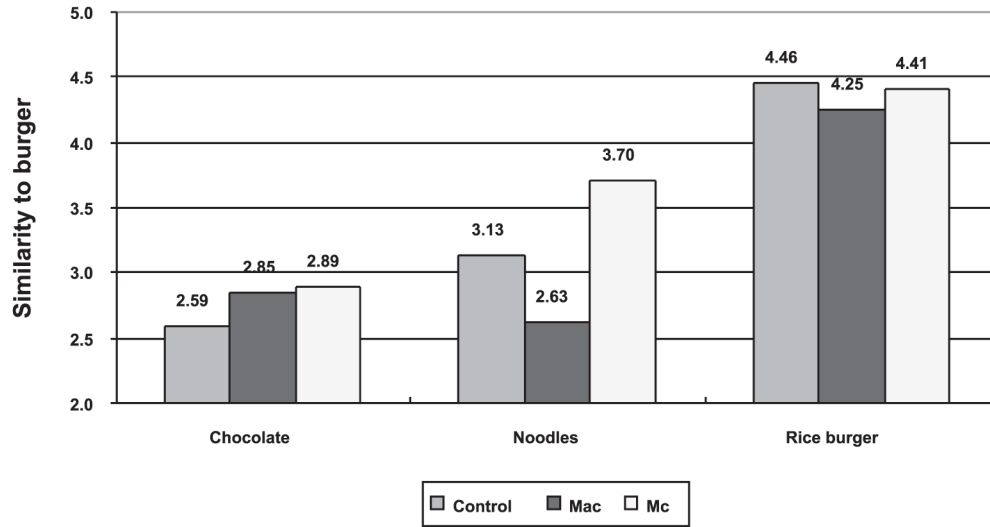


**TABLE 1**
The Results of Two Anovas

| Factors | Study 1 (N=146) | | Study 2 (N=146) | |
|---|---|---|---|---|
| | F | p | F | p |
| Prefix diagnosticity | 3.58 | .060 | 4.14 | .044 |
| Product similarity | 20.33 | .000 | 16.71 | .000 |
| Prefix diagnosticity * product similarity | 3.93 | .021 | 2.91 | .058 |
| Gender | .00 | .981 | .43 | .51 |
| Age | .62 | .433 | .00 | .96 |
| $R^2$ | | .284 | | .250 |

## STUDY2

The biggest difference between study 1 and study 2 is the stimuli. We created a series of hypothetical prefixed brand names to manipulate the diagnosticity of prefixes as well as the level of product similarity. This approach allows us to test hypothesis 1b.

**Method**

*Sample and Design*. The design of study 2 is actually the same as that of study1. 221 undergraduates participated this study and they were randomly assigned to nine conditions according to a 3 (prefix diagnosticity: high vs. low vs. control group) X 3 (product similarity: dissimilar, moderately similar, vs. similar) experimental design. Subject number of each cell size ranges from 23 to 25. All nine experimental conditions and three control conditions were administered simultaneously.

*Stimuli and Procedure*. The most challenging part of testing hypothesis 1b is to identify or create a pair of prefixes with different uniqueness levels. In specific, less frequently used prefix will be considered as more diagnostic and thereby would elicit more effect on consumers' perception of prefixed brands. However, choosing different kinds of prefixes may bring confounding variables. Take Nest- (e.g., Nestea) and Micro (e.g., Microsoft) for example, the first prefix is more unique and thus of higher diagnosticity com-

pared to the latter. However, it is widely documented that the meaning of brand names can influence consumers' brand evaluation and judgment. If we use such pairs of prefixes as stimuli, it may be difficult for us to exclude that confounding effects from our predicted effects. Similarly, the sound of brand name can also play an important role in consumer information processing (e.g., sound symbolism).

We finally found out a pair of prefixes (i.e., Xtra- and Extra-) which don't have previous mentioned problems. Xtra and Extra share the same meaning and pronunciation, thus we can rule out many confounding factors. The only obvious difference between "Extra-" and "Xtra-" is their frequency. In specific, "Extra-" is more widely used whereas the usage frequency of "Xtra-" is much lower. Therefore, the prefix diagnosticity would be manipulated. Pretest confirmed their different uniqueness level ($M$s=5.2 and 3.5,$p<$.001).

Subjects were told that XtraTech (or ExtraTech) is a famous personal computer brand in a foreign country. Suppose recently there is a new product (e.g., bicycle) named ExtraSomething/XtraSomething (e.g., XtraSpeed) is available on the market. Different products (i.e., bike, telephone, and printer) were used to represent different product similarity levels ($M$s=2.34, 2.72, and 4.34, $p<$.001). After receiving this information, subjects were asked to judge the extent to which they believe this newly introduced

**FIGURE 4**
Comparison of Means in Study 2
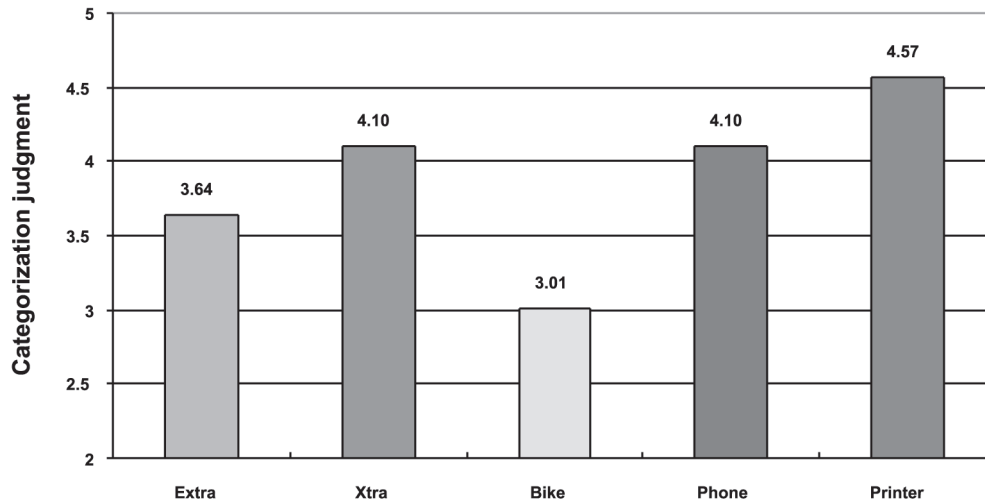


*Manipulation Checks*. In order to check our manipulation of product similarity, we calculated the difference of similarity judgments among three groups. The result demonstrated that participants' perceived product similarity was significantly influenced by our manipulation ($Ms$=2.36, 3.60, 4.31, respectively, $F$ (2, 202)=52.05, $p$<.001). Our manipulation of prefix uniqueness was successful as well ($Ms$=4.01 and 3.14, $F$ (1, 146)=15.05, $p$<.001). Moreover, both independent variables were not influenced by other factors (p>.10).

*Hypotheses Testing*. The ANOVA was used to test all the hypotheses. If our hypotheses are valid, both prefix diagnosticity and product similarity should have effects on consumers' categorization judgments. The data is consistent with such prediction (see figure 4). The differences between these means are significant ($ps$<.05).

In addition, in the ANOVA task (see table 1), we found a marginally significant interaction between prefix uniqueness and product similarity on categorization judgment ($F$ (2, 146)=2.91, $p$<.06). That is, when product similarity is moderate and thus ambiguous to estimate, consumers' overall categorization judgment would be biased toward their initial perception of the prefix per se which is usually processed at the first glance. As suggested by our model, this interaction is contributed by biased estimation of product similarity. To test this, the effect of prefix diagnosticity on product similarity was submitted to three one-way ANOVAs with prefix diagnosticity as a predictor. Consistent with our predictions, the ANOVA revealed that consumers' report of similarity between computer and telephone was significantly impacted by prefix uniqueness ($Ms$=2.92, 3.18, and 4.22, respectively; $F$ (2, 73)=9.09, $p$<.0001) and such effect was not found in other two conditions (i.e., bike and printer) ($ps$>.10) (see figure 5).

**GENERAL DISCUSSION**

To conclude, our three hypotheses have been supported in two studies where real brand and hypothetical brand were used as stimuli respectively. The data demonstrated that prefix, as a kind of linguistic feature, could influence consumers' categorical judgment in two ways. Firstly, consumers' categorization of new products could be directly influenced by linguistic information. This lends further support to Schmitt and Zhang's (1998) finding where the authors found that Chinese and Japanese consumers' categorization are significantly influenced "classifier words". Secondly, consumers' perception of product similarity could be molded by linguistic information. Further research is needed to investigate the relationship (cooperative vs. competing) between linguistic-based categorization and product feature/similarity based categorization.

The theoretical contribution of this research is to introduce information processing factors to the traditional categorization framework. Traditional categorization research focused on the diagnosticity of category features, while paying less attention on the information processing factors which could influence or even determine the categorization result. This article shows that introducing information processing factors in categorization research could enable a richer understanding of the actual mechanism underlying consumers' classification judgments.

Managerially, the present research also has important implications. First of all, this research will offer guidance for those brand managers who plan to employ a prefixed branding strategy to leverage their brands. A good prefix, according to my article, should not be widely used by irrelevant brands. Otherwise, it could not build a strong link between the new brand and endorser. In addition, this research suggests that those prefixed brands may not necessarily be constrained in similar product classes, given the prefix per se is very unique. Similarly, these findings could be extended to trademark infringement and public policy domain. The result of this article suggested that jurors and policy makers may need to adjust their current practice where product similarity is treated as an objective property (e.g., Nice Classification).

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**Results**

product was produced by the XtraTech (or ExtraTech) company on a 7-point scale. They were asked to estimate product similarity and prefix uniqueness as well.

**FIGURE 5**
The Biasing Effect of Prefix on Product Similarity Estimation in Study 2
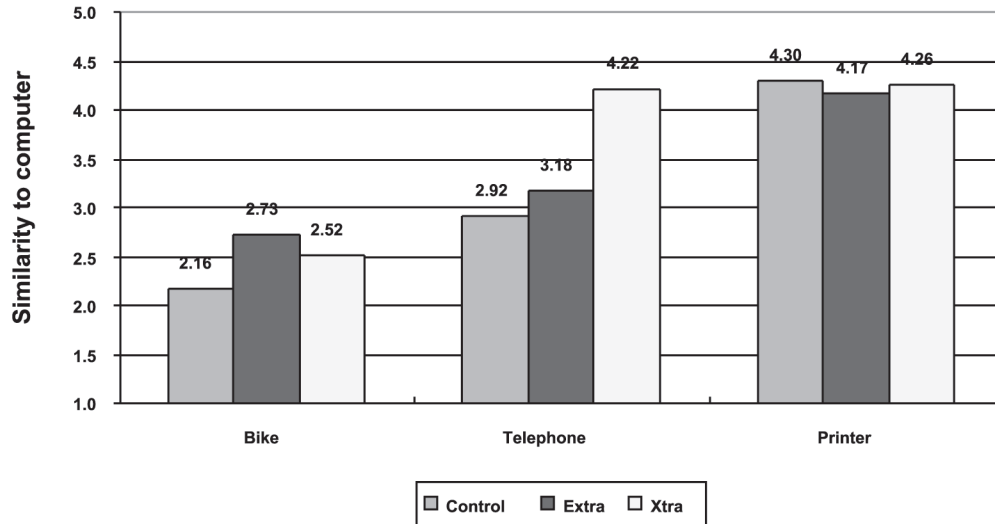
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# Time Pressure and the Compromise and Attraction Effects in Choice

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## ABSTRACT

Both the compromise effect and the attraction effect have demonstrated that deviation from preference among alternatives is independent of context. This study explores the effect of time pressure on the compromise and attraction effects, and demonstrates that the compromise effect is weaker and the attraction effect is stronger when consumers are under higher pressure to choose.

## INTRODUCTION

Both the compromise effect and the attraction effect have demonstrated that deviation from preference among alternatives is independent of context (Huber and Puto, 1983; Simonson, 1989). Independence from context occurs when a consumer prefers brand *x* to brand *y* in one context (for example, when only *x* and y are available), but then *y* cannot be preferred to *x* in another context (for example, when a third brand *z* is added to the choice set) (Simonson and Tversky, 1992). The compromise effect is an example in violation *of* the alternative *of* being independent *of* context The compromise effect (or extremeness aversion) indicates that the addition of an option to a set of two (non-dominated) options enhances the share of the adjacent alternative relative to the nonadjacent (existing) alternative (Simonson 1989; Simonson and Tversky, 1992). In a compromise effect example, the "core" two-option set might include a pair of binoculars with 7X magnification power that costs $30 and a pair with 10X magnification that costs $60. This core set might be expanded by adding a pair of binoculars with 13X magnification that costs $90, such that the 10X pair becomes the "compromise" (or middle) option and the 7X and 13X pairs become the "extreme" options. If the compromise effect occurs in this case, the addition of the 13X option should lead to an increase in the share of the 10X option *relative* to the 7X option. Consumers chose 7X in a two-option set, whereas they chose 9X in a three-option set, in violation of the alternative of being independent of context (Simonson and Tversky, 1992).

In a demonstration of the attraction effect, a group of consumers was asked to choose between a pen that cost $6 and an elegant more expensive Cross pen. A second group chose from among a pen that cost $6, the same elegant Cross pen, and a clearly less attractive pen (Houghton, Kardes, Mathieu and Simonson, 1999). The results showed that the addition of the less attractive pen increased the share of the Cross pen, independent of the context of the alternative of violation

Although compromise and attraction effects are interesting and have been demonstrated in many studies (e.g., Benartzi and Thaler, 2002; Chernev 2004a; Dhar, Nowlis and Sherman, 2000; Drolet, 2002; Huber & Puto, 1983; Lin et al., 2006; Malaviya and Sivakumar, 2002; Nowlis and Simonson, 2000), these studies typically looked at attraction and compromise effects in situations that allowed the decision maker to have an unlimited amount of time to perform the decision-making task. However, many real world decisions are made under some form of time constraint. Do decision makers use the same strategies when making decisions with and without time constraint? How do decision makers react when a deadline has been met or when a time constraint has been removed? This paper investigates these issues and proposes that

consumer preference is determined by the degree to which decision time is constrained, and that time pressure moderates the significance of compromise and attraction effects. The theoretical analysis, research hypotheses, and two empirical studies are described in the next section.

## TIME PRESSURE

Time pressure is often viewed as an external factor that influences consumer behavior. Relevant research has demonstrated that time pressure will constrain the quantity of information that is processed (Iyer, 1989). Hence, it is generally believed that increasing time pressure causes consumers to experience difficulties with decision making. In recent years, scholars have begun to examine the relationship between time pressure and choice deferral (Tversky and Shafir, 1992; Dhar, 1997; Luce, 1998). Dhar and Nowlis (1999) pointed out that when consumers are facing time pressure they will probably defer making a choice, but when they are facing the same attractive alternatives in a choice set, the proportion of decision deferral is lower under time pressure than without time pressure. Lin and Wu ((2005) demonstrated that that if consumers perceive that they do not have enough time to evaluate products carefully, then they will not make decisions. However, when consumers have too much time (without time pressure) to make careful evaluation, they also tend not to make decisions. This occurs because, when the decision is made and the time to consider is too long, the disadvantages of the selected alternative are accepted, and the merits of the non-selected alternative are given up. Only under moderate time pressure, is the no-choice option proportion relatively low.

Research suggests that decision makers tend to speed up the execution of decision strategies or switch to simpler strategies when under time constraints (Edland and Svenson, 1993; Johnson, Payne and Bettman, 1993; Benson and Beach, 1996; Smith, Mitchell and Beach, 1982). They also accelerate the rate at which they examine information when making decisions under time pressure (e.g., Ben Zur and Breznitz, 1981). When faced with severe time constraints, decision makers either filter information or omit certain information from consideration altogether (Miller, 1960) and rely most heavily upon negative information (Wright, 1974). Moreover, consumers who are making choices under time pressure may alter their decision-making strategies. In particular, a number of different studies suggest that a common response to limited time is for the decision maker to shift from using compensatory to non-compensatory decision rules (e.g., Payne, Bettman and Johnson, 1988; Svenson, Ediand and Slovic, 1990). Thus, consumers who are under time pressure are likely to simplify their selection decision by using less effortful, non-compensatory decision-making strategies. Although the use of such strategies may often be adaptive, consumers may, under time pressure, also use heuristics because they have no other choice (Dhar and Nowlis, 1999).

We can predict that when consumers are facing product attribute or choice set alternative conflicts, increasing time pressure will make them inclined to use a non-compensatory decision rule to form attitudes or make choices based on the values of important attributes. This paper proposes that consumer preference is determined by the degree to which decision time is constrained, and that

**FIGURE 1**
The Compromise Effect
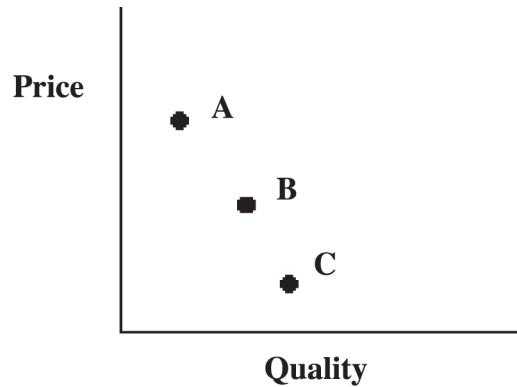


**FIGURE 2**
The Attraction Effect
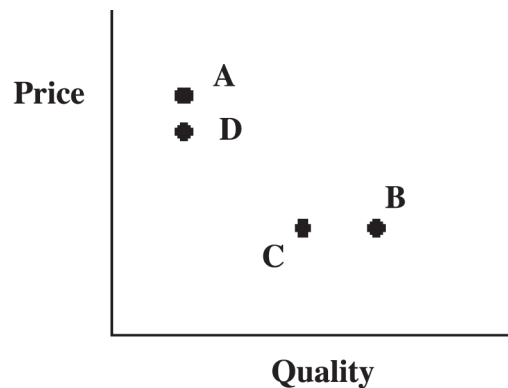


time pressure moderates the significance of the compromise and attraction effects.

## COMPROMISE EFFECT

The compromise effect (or extremeness aversion) indicates that the addition of an option to a two-option set enhances the share of the adjacent relationship compared to the nonadjacent relationship (Simonson, 1989; Simonson and Tversky, 1992). As illustrated in Figure 1, the compromise effect occurs if the choice share of one option, B, relative to another existing option, A, is enhanced when a third option, C, which makes B a compromise option, is added to the set. The compromise is tested by comparing the relative share of the middle option with and without the third option in the set. For example, the binary choice set might include a pair of binoculars with a 7X magnification power that costs $30 and a pair with 10X magnification that costs $60. This binary choice set might be expanded by adding a pair with 13X magnification that costs $90, such that the 10X pair becomes the "compromise" (middle) option and the 7X and 13X pairs become "extreme" options. If the compromise effect occurs in this case, then the addition of the 13X option has led to an increase in the share of the 10X option relative to the 7X option. The magnitude of the compromise effect is typically assessed by comparing the relative shares of the two existing options with and without the third option in the set.

Extremeness aversion is the main cause of the compromise effect, which means that when all conditions are the same, the attraction of a relatively more extreme option will be lowered in comparison with other options (Chernev 2004; Simonson 1989; Dhar, Nowlis and Sherman, 2000; Kivetz, Netzer and Srinvasan, 2004; Tversky and Simonson, 1993). In the above example, among in the binary choice sets {A, B} and {B, C}, there is no extreme option. Only when the choice set becomes a trinary choice set, {A, B, C}, do options A and C become extreme options. Option B becomes a non-extreme option (compromise option), so that its attraction increases and the probability of it being chosen also increases.

The compromise effect, whereby brands gain market share when they become intermediate options in a choice set, is among the most robust phenomena documented in marketing behavioral research (e.g., Benartzi and Thaler, 2002; Chernev, 2004; Dhar, Nowlis and Sherman, 2000; Drolet, 2002; Nowlis and Simonson, 2000; Kivetz, Netzer and Srinivasan, 2004).

To understand the significance of time pressure on the magnitude of the compromise effect, the binary set {a, b} and the expanded trinary set {a, b, c} must be considered separately. In binary sets, the option to chose depends on personal preference. In trinary sets with time pressure, the compromise option is likely to lose a relatively large share to the non-compromise option because increasing time pressure makes decision makers inclined to use a non-compensatory decision rule to form attitudes or make choices based on values of important attributes. Therefore, when consumers are facing time pressure, they tend to focus on either price or

quality, which leads to the prediction that the non-compromise options will be chosen more often than the compromise option.

*H1: The compromise effect will be smaller when consumers are under time pressure.*

## ATTRACTION EFFECT

Huber and Puto (1983) propose that in the two-option choice set, the addition of a third option (called the "decoy") will increase the percentage of a similar option in the original choice set (called the "target"); this phenomenon is called the attraction effect. As shown in Figure 2, in the case of A and B options, when option A is much lower in price than option B, but option B is much higher in quality than option A, it is very difficult for consumers to make a choice between option A (competitor) and option B (target). After option C, the price of which is almost the same as that of option B but the quality of which is lower than that of option B, joins the choice set, consumers will tend to choose option B from among options A, B, and C. This occurs because after the inferior option C is added, the advantage of option B (target) becomes more conspicuous. Then it is easier for consumers to compare the advantages of these options and recognize that B is an excellent option, and its probability of being chosen increases.

The attraction effect also involves another very interesting phenomenon. The appearance of an inferior option will have an obvious influence on the consumer's decision making and choice, and this phenomenon opposes the independence of the irrelevant alternatives principle (Luce, 1977). The traditional economy deems that the preference or choice of one option is independent of whether or not other options exist. The attraction effect demonstrates that the existence of one inferior option is likely to make the advantages of a target option more conspicuous and increase the probability of consumers choosing the target option (Burton and Zinkhan, 1987; Huber and Puto, 1983; Malaviya and Sivakumar, 2002; Simonson, 1989; Simonson and Tversky, 1992).

The preceding explanation for the attraction effect focused on the dominance relationship. Such a relationship could provide a reason for preferring the relatively superior alternative. This finding is consistent with the notion that there is a fundamental difference between the compromise and attraction effects, in that the former is more cognitive, and the latter is more perceptual. In the compromise set, a choice of the middle option seems like a compromise and tends to be explained on the basis of its position between two extremes. Conversely, although people who are uncertain about their preferences gravitate to the asymmetrically dominating option, this more perceptual effect is not at all transparent, and most buyers use the asymmetric dominance relation to explain their choices (when explicitly asked, most rate asymmetrically dominating options as easier to justify (Dhar & Simonson, 2003; Simonson, 1989)). Under time pressure, consumers perceive that they do not have enough time (high time pressure) to evaluate carefully, and they are likely to simplify their selection decision by using heuristic strategy. The target option is explicitly relatively superior in comparison to a third option that is dominated by the target option, and this provides consumers with a reason to choose it. Thus, we predict:

*H2: The attraction effect will be stronger when consumers are under time pressure.*

## STUDY 1

Study 1 mainly aimed to explore whether time pressure influences the compromise effect. The study adopted a 2 (choice sets: binary or trinary) X 2 (decisions made either with or without time pressure) between-subjects design. A total of 320 respondents were randomly and equally assigned to either the high or low time pressure condition.

*Choice sets.* The choice sets were manipulated by asking that each subject make choices from either a binary option or a trinary option, and repeat the decision-making process with three kinds of products: microwave ovens, ovens, and binoculars. As has been described (see Figure 1), each category had a binary option version or a trinary option version so that the compromise effect could be tested. The binary option design is described in Figure 1 as options A and B, and the trinary set was formed by the addition of a third option C, which was a high price-quality option. The manipulation method of the choice set was adopted from Simonson (1989), and the binary choice set was distinguished from the trinary choice set using information from *Consumer Reports*.

*Time Pressure.* To avoid the potential problem in previous research whereby the time allowance was arbitrarily selected (Ordonez & Benson, 1997), 103 participants participated in a pretest in which they were asked to self-record the end time of the decision-making process. This data was used to determine the average time required to make a decision for either binary or trinary tasks. According to Benson and Beach (1996), high time pressure can be manipulated by subtracting one standard deviation from the mean. The results for the binary task, with 48 participants, indicated that the high time constraints were 39 seconds for microwave ovens, 32 seconds for ovens, and 41 seconds for binoculars. For the trinary task, with 55 participants, time constraints were 46 seconds for microwave ovens, 38 seconds for ovens, and 49 seconds for binoculars. Conversely, no time limit was set for subjects of low temporal pressure. Time pressure was manipulated by either giving subjects a total of either 112 (binary) or 133 (trinary) seconds to complete the survey (three product categories), or by allowing subjects an unlimited amount of time to make decisions. Time pressure was also manipulated by telling the respondents under time-pressure conditions that they had a certain amount of time to complete each decision. We then marked on the board each five-second increment until the final seconds were completed, and subjects were told there was no more time, and they had to move onto the next problem, where we repeated the procedure. Time pressure was measured on a seven-point scale ("no time pressure," "too much time," "more than adequate time available," "adequate time," "not adequate time available," "need a lot more time to do," and "too high time pressure") (Suri and Monroe, 2003).

## RESULTS

For the binary task, the high time pressure group reported significantly higher levels of stress than the low time pressure participants (4.4 vs. 3.46, $t_{158}=6.54$, p<0.001, for high time pressure and low time pressure groups, respectively). For the trinary task, high time pressure participants also reported significantly higher levels of stress than low time pressure participants (4.16 vs. 3.58, $t_{158}=3.31$, p<0.001). These results imply that participants who were under low time pressure condition were more likely to perceive that there was sufficient time to complete the questions than participants who were under the high time pressure condition. Therefore, the manipulation check for time pressure is accordingly regarded as successful.

*Time Pressure Effect in the Compromise Effect.* The compromise effect is typically measured by comparing the relative shares of choice alternatives between the core and extended sets. Thus, if P (B; A, C) is the share of option B relative to options A and C in a selection that is made from set {A, B, C}, then $P_C${B;A} is the

share of B relative to A in a selection that is made from set {A, B, C}, where

$$p_C\ (B;A) = \frac{p(B;A,C)}{p(B;A,C) + p(A;B,C)}$$

Consistent with previous research, the compromise effect was measured in terms of the changes in the relative share that are associated with the addition of an adjacent alternative to the choice set, that is, $P_C$(B;A)-P(B;A). This measure was used to examine whether the compromise effect was moderated by time pressure.

To test the compromise effect, an analysis was performed to compute the share of the compromise option in the binary set and the trinary set, which is denoted by "P" (see Chernev, 2004a for a detailed discussion of the measure of the share), as shown in Table 1. The compromise effect (ΔP) was measured in terms of the changes in "P" (the share of the compromise option) that are associated with the addition of an adjacent alternative to the core set. The significance of these data was examined using categorical modeling (Stokes, Davis & Koch, 2001) in which an individual's probability of selecting the middle option was a function of time pressure status. The analysis indicated a significant interaction effect between time pressure and the choice set ($\chi^2(1)$=4.08, p<0.05). Across the three product categories, the share increase of the middle (compromise) option differed significantly between the two time pressure conditions (see Table 1). The average increase in the share of the compromise option was much larger among the low time pressure participants (+30%) than among the high time pressure participants (9%), which indicates a weaker compromise effect in the participants with a high time pressure.

Overall, the findings on the choice of the compromise option and the occurrence of the compromise effect provide further evidence to support the prediction that time pressure influences choice behavior. Furthermore, the greater tendency to choose the middle option and to exhibit a compromise effect was much weaker in participants with high time pressure than in those with low time pressure, which supports the hypothesis of the moderating effect of time pressure on the compromise effect.

## STUDY 2

Study 2 mainly aimed to explore whether time pressure influences the attraction effect. The study conducted a 2 (choice sets: binary or trinary) x 2 (decisions made either with or without time pressure) between-subjects design, which is consistent with study 1. All of the 392 participants, who were enrolled in marketing courses, took part in the study on a voluntary basis and were requested to complete three choices with three categories: microwave ovens, ovens, and binoculars, and were randomly and equally assigned to one of four conditions. The design of the binary set is described in Figure 2 as options A and B, and an inferior option C relate to target option B was added to the binary set to become the trinary set. The manipulation of time pressure was identical to that in Study 1. A pilot test was firstly carried out to determine that time pressure was manipulated by either giving subjects a total of either 101 (binary) or 125 (trinary) seconds to complete the survey (three product categories). Without pressure allow subjects an unlimited amount of time to make decisions.

## RESULTS

*Manipulation Check*. The reports for the binary task indicate that the participants felt a much higher time pressure (mean=4.47) in the high pressure condition than in the low pressure condition (mean=3.5), $t_{194}$=84.19, p<0.001. For the trinary task, it was also found that the high pressure participants felt much higher pressure (mean=4.42) than the low pressure participants (mean=3.45), $t_{194}$=4.61, p<0.001. This supports that the manipulation of time pressure is successful.

*Time Pressure Effect in the Attraction Effect*. The measuring method for the attraction effect is the same as that for the compromise effect, as shown in Table 1. After the addition of a third option (C, the inferior option) the target option (B) increased its percentage of being chosen (attraction effect). In the case of participants in the low time pressure condition category, across the three product categories, the percentage of target option being chosen increased from 49% in the binary choice set to 56% in the trinary choice set, DP=7%. By contrast, in the case with participants in the high time pressure condition, the percentage of the target option being chosen increased from 51% in the binary choice set to 67% in the trinary choice set, DP=16%. The statistics show that there was a significant difference in the increase in the target option between high and low time pressure, $c^2(1)$=4.07, p<0.05, which indicates a stronger attraction effect in the participants with high time pressure.

## CONCLUSION

The data from Study 1 and 2 are consistent with H1 and H2, which state that the compromise effect will be weaker and the attraction effect will be stronger when consumers are under increased time pressure. Because of the significant implications of the finding that time pressure systematically moderates the magnitude of context effects, two follow-up studies will be conducted to test whether these results can be replicated and to gain further insights into the conditions under which high time pressure strengthens the attraction effect and weakens the compromise effect.

Previous work on behavior decision theory has shown how choice context affects decision preference in unlimited time conditions. The aim of this paper has been to show how systematic change in the compromise and attraction effects due to time pressure will influence preference change. This implies that context effects, such as the status quo, could be influenced by time pressure. The empirical investigation of this proposition is a promising area for further research.

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**TABLE 1**

The Effect of Time Pressure on the Compromise and Attraction Effects Across the Three Product Categories in an Average Shares

| | Low time pressure | | | High time pressure | | |
|---|---|---|---|---|---|---|
| | P | | | P | | |
| | Binary set P(B;A) | Trinary set (Pc(B;A)) | ΔP (%) | Binary set P(B;A) | Trinary set (Pc(B;A)) | ΔP (%) |
| Compromise effect | 46 | 76 | 30 | 54 | 63 | 9 |
| Attraction effect | 49 | 56 | 7 | 51 | 67 | 16 |

Note: P is the share of the middle option and ΔP is the change in relative share of the middle option (or target option) from the binary set to the trinary set

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# How Argument Structure Biases Acceptance of Advertising Claims: Explaining Deviations from Logical Reasoning in Terms of Subjective Probabilities

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## ABSTRACT

Arguments in advertising are intended to maximize the acceptance of the product claims being made. The structure of the argument can influence claim acceptance apart from the quality of the substantiating evidence presented. Specifically, arguments having irrelevant but representative conditionals, hierarchically-related claims, multiple data propositions supporting a single claim, and irrelevant qualifications of conditionals trigger systematic deviations from logical reasoning and over-acceptance of the claim. Probability theory is used to contrast the logical relationships among the beliefs corresponding to each argument with the actual integration rule used by message recipients.

## INTRODUCTION

Given the importance of persuasion in marketing communications, the literature has surprisingly little to say about why some arguments are more effective than others (Areni 2002; McGuire 2002). This omission is, perhaps, due to the limited number of empirical paradigms adopted over the last three decades to study advertising and persuasion. Questions as to how to construct persuasive arguments have been given marginal status in research based on expectancy-value models (Lutz 1975; Wilkie and Pessemier 1973), cognitive response theory (Wright 1975, 1980), and dual-process models (Petty, Cacioppo and Schumann 1983; Ratneshwar and Chaiken 1991). The research reported below addresses this gap in the literature by linking judgment biases (Tversky and Kahneman 1982a) to structural aspects of arguments likely to trigger illogical reasoning (Areni 2002).

Illogical reasoning is expressed in terms of alternative rules for integrating relevant beliefs compared to the rules prescribed by logic. In some cases, actual reasoning deviates from logical reasoning because message recipients are unable to integrate their beliefs according to requisite mathematical rules (McGuire 1960; Wyer and Goldberg 1970), whereas in other situations, the deviation results from a conflict between inductive reasoning based on personal experience, and deductive reasoning based on the information actually presented (Evans et al. 1983; Sloman 1996; Cherubini et al. 1998). This research focuses on four argument structures commonly used in advertising: (a) representative but irrelevant conditionals, (b) hierarchically-related data propositions, (c) multiple data propositions supporting a single claim, and (d) irrelevant qualifications of conditionals. Probability theory is used to contrast logic with the actual reasoning processes adopted by message recipients, with the latter resulting in over-acceptance of the focal claim.

## ARGUMENT STRUCTURE AND MESSAGE ACCEPTANCE

Arguments are comprised of three basic types of propositions, *claims*–the fundamental points being argued, *data*–the evidence presented to support one or more claims, and *conditionals*–statements explaining how or why presented data support a given claim (Jaccard 1980; Toulmin 1958). All arguments are essentially arrays of data, conditionals, and claims, with the minimum requirement that at least two of the three proposition types must be explicitly stated rather than implied (Areni 2002). However, some of the propositions comprising an argument may be entailed or conversationally implicated rather than explicitly stated (Geis 1982; Leech 1974). The acceptance of a claim can be assessed in terms of the beliefs corresponding to the propositions in the argument, which can be represented as subjective probabilities ranging from complete acceptance (1.0) to complete rejection (0.0) (McGuire 1960; Wyer and Goldberg 1970). This is not to say that individuals form actual probabilities in response to arguments (Slegers, Brake and Doherty 2000). Rather, there is reason to believe that message recipients do something *like* forming subjective probabilities in response to persuasive communications, to the point of using probability markers that incorporate expressions of relative certainty (e.g., "undoubtedly," "probably," "unlikely," etc.) into verbal propositions (Fillenbaum et al. 1991).

Within this basic framework, arguments make take on a number of structures based on the various combinations of claims, data, and conditionals. However, arguments having (a) representative but irrelevant conditionals, (b) hierarchically-related data propositions, (c) multiple data propositions supporting a single claim, and (d) irrelevant qualifications of conditionals are particularly likely to trigger over-acceptance of the claim given the acceptance of the corresponding data and conditionals. As shown in Table 1, actual (i.e., but illogical) reasoning in response to each of these argument structures can be expressed as an alternative integration of beliefs compared to logical reasoning.

## REPRESENTATIVE BUT IRRELEVANT CONDITIONALS

Research regarding the representativeness of propositions given existing knowledge and experience lends insight to understanding how logical and actual reasoning differ in the processing of certain arguments (Tversky and Kahneman 1982a, 1982b). Specifically, arguments with conditionals that are consistent with previous experiences are likely to be accepted as valid when the datum and conditional do not logically establish the claim. For example, an actual 30-second television advertisement for LG washing machines states that:

> "A washing machine that shakes won't last. That's why LG have designed a direct drive system giving greater balance and durability."

Assuming the term "balance" refers to the absence of shaking and that "durability" refers to lasting a long time (i.e., by conversational implication), the propositional structure of this argument is:

| | |
|---|---|
| Datum: | LG washing machines don't shake. (-shake) |
| Conditional: | If a washing machine shakes, it won't last. (-last \| shake) |
| Claim: | LG washing machines will last. (last) |

The claim that LG washing machines will last a long time does not actually follow from the data and conditional because washing machines can break down for reasons unrelated to shaking. Nevertheless, this argument is likely to be persuasive because shaking is salient and typical of machines that do breakdown. Johnson-Laird (1986) suggests that message recipients generate "mental models" of the various possibilities suggested by an argument. Instances that confirm a representative conditional are easily brought to mind, whereas less salient instances that would invalidate the argument

**TABLE 1**
Logical Versus Actual Reasoning in Argument-Driven Persuasion*

| Structural Features of Verbal Arguments | Subjective Probability Theory (Actual Reasoning) | Objective Probability Theory (Logical Reasoning) |
|---|---|---|
| Representative But Irrelevant Conditional | $p(c)=p(-c|d)p(-d) + \ldots$ | $p(c)=1- [p(-c|d)p(d) + p(-c|-d)p(-d)]$ or $p(c)=p(c|d)p(d) + p(c|-d)p(-d)$ |
| Hierarchically-Related Data Propositions | $p(c)=p(c|d_1) + \ldots$ or $p(c)=\min[p(c|d_1),p(d_1),p(d_1|d_2),p(d_2)]$ | $p(c)=p(c|d_1)p(d_1|d_2)p(d_2) + \ldots$ |
| Multiple Data Propositions Supporting a Single Claim | $p(c)=p(c|d_1)p(d_1) + p(c|d_2)p(d_2) + \ldots$ | $p(c)=p(c|d_1)p(d_1) + p(c|d_2)p(d_2)$ $- p(c|1\cap d_2)p(d_1\cap d_2) + \ldots$ |
| Irrelevant Qualification of the Conditional | $p(c)=p(d_1) + \ldots$ | $p(c)=p(c|d_1)p(d_1) + \ldots$ |

*Where: $p(c)$=the subjective probability that the claim is true, $p(d)$=the subjective probability that the datum is true, $p(-d)$=the subjective probability that the datum is not true, $p(c|d)$=the conditional probability that the claim is true given that the datum is true, and $p(d_2\cap d_2)$=the conjunctive probability that datum 1 and datum 2 are both true.

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are harder to imagine (Hastie and Dawes 2000; Kahnemann and Tversky 1982). For example, besides shaking, what salient symptoms are exhibited by a washing machine just prior to breaking down? To the extent that no mental models come to mind (e.g., odd noises, leaking water, etc.), the data that the machine doesn't shake makes a seemingly convincing case for the claim. So, representative conditionals often result in mental models with significant confirmation biases (Hoch and Deighton 1989), leading to the acceptance of invalid arguments.

According to probability theory, the subjective beliefs associated with this argument must be combined in one of two ways:

$1_a$. $p(last)=1-[p(-last | shake)p(shake) + p(-last | -shake)p(-shake)]$

$1_b$. $p(last)=p(last|shake)p(shake) + p(last|-shake)p(-shake)$

However, the argument as stated is not captured by either product on the right side of equations $1_a$ or $1_b$. In practical terms it is invalid because washing machines may break down even when they do not shake [i.e., $p(-last|-shake)p(-shake)$ could be substantially greater than 0]. In terms of logic, it is invalid because the conditional presents what will happen if the machine does shake, whereas the data establishes that it does not shake. This is the Aristotelian fallacy of denying the antecedent. But the representativeness of the conditional invites the following integration of beliefs:

$1_c$. $p(last)=p(-last | shake)p(-shake) + \ldots$

If the data and stated conditional are both accepted as being true, or at least plausible, then the argument makes a "convincing" case for the claim in that the term on the right side of equation $1_c$ must be relatively high. So, arguments with representative but irrelevant conditionals elicit greater acceptance of the claim than that which is logically warranted.

## HIERARCHICALLY-RELATED DATA PROPOSITIONS

Hierarchical arguments have multiple levels such that the claim of one argument serves as the data for another. For example, an advertisement for the Breville Express Cooker contains the following copy:

"The Breville Express Cooker cooks up to 8 times faster, that's because it's essentially an electric saucepan with a lid that has an airtight seal when locked. Once airtight, the Express Cooker becomes pressurised, resulting in food cooking much faster than normal."

This argument can be reduced to the following propositional structure, where one of the conditionals is implied rather than stated:

Datum 2: The Breville Express Cooker has an airtight seal. (seal)

Conditional 2: If a cooker has an airtight seal, then it creates pressure. (pressure | seal)

Datum 1: The Breville Express Cooker creates pressure. (pressure)

Conditional 1: *If a cooker creates pressure, then food cooks faster than normal.* (cook | pressure)

Claim: The Breville Express Cooker cooks food faster than normal. (cook)

The beliefs corresponding to this argument should logically be integrated as:[1]

$2_a$. $p(cook)=p(cook | pressure)p(pressure | seal)p(seal) + \ldots$

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[1]A claim may be accepted or rejected for reasons other than those presented in the argument. This reasoning beyond the argument can be captured by additional subjective probabilities that complete each equation. For example, the complete system of beliefs corresponding to the Breville claim is $p(cook)=p(cook | pressure)p(pressure | seal)p(seal) + $ *p(cook | -pressure)p(-pressure | seal)p(seal) + p(cook | pressure)p(pressure | -seal)p(-seal) + p(cook | -pressure)p(-pressure | -seal)p(-seal)*. However, as each of the italicized products increases, some aspect of the argument is being rejected more and more (i.e., $[p(cook)=1-p(-cook)]$, etc.). The same is true for each of the other argument structures. In the interest of clarity, only the terms directly corresponding to the argument propositions are discussed, as logical versus actual reasoning pertains to differences in the integration of these beliefs.

However, research suggests that individuals do not assess hierarchical arguments according to equation $2_a$, but instead truncate the argument according to one of two rules (c.f., Kardes et al. 2001). The "as if" heuristic posits that people process hierarchical arguments in stages. If datum 2 and conditional 2 provide a reasonable basis for accepting datum 1, then datum 1 is accepted with certainty [i.e., p(pressure)=1] at the next stage of processing (Cohen, Chesnick and Haran 1982; Wyer and Goldberg 1970). So, if message recipients are persuaded that the product has an airtight seal, and that the seal increases pressure during cooking (i.e., the corresponding probabilities are reasonably high), then this level of the argument is considered to be established [i.e., p(pressure)=1], such that the probabilities corresponding to acceptance of the ultimate argument are reduced to:

$2_b$. p(cook)=p(cook | pressure)

The "weak link" heuristic suggests that individuals equate the likelihood of the claim with the minimum acceptable proposition in the hierarchical argument (Tversky and Kahneman 1982a). In short, the claim is no more plausible than the weakest link in the chain, or in terms of subjective probabilities:

$2_c$. p(cook)=min[p(cook | pressure), p(pressure), p(pressure | seal), p(seal)]

The implication of these truncations is that the message recipient will tend to be overly certain of the claim given the argument, or in other words, that the right sides of equations $2_b$ and $2_c$ are higher than equation $2_a$. Hence, hierarchical arguments should be terribly effective despite limitations in the individual propositions comprising the argument (Tversky and Kahneman 1982a; Wyer and Goldberg 1970).

## MULTIPLE DATA PROPOSITIONS SUPPORTING A SINGLE CLAIM

Arguments containing multiple data propositions present message recipients with numerous reasons for accepting a single claim. For example, an advertisement for EPSON Printers states:

"Thankfully with an EPSON Stylus Photo Printer you're always guaranteed great photo texture. How? First there's our Perfect Picture Imaging system with its unique Micro Piezo Technology. This controls the size, shape and placement of ink dots, giving superb levels of detail–even up to an amazing 2880 dpi. But the perfect photo look doesn't end there. EPSON Print Image Matching Technology ensures optimum photo quality."

In terms of propositional content, this argument can be represented as:

| | |
|---|---|
| Datum 2: | The EPSON Stylus Photo Printer controls the size, shape and placement of ink dots up to 2880 dpi. (2880 dpi) |
| Conditional 2: | *If a printer controls the size, shape and placement of ink dots up to 2880 dpi, then it provides great photo texture.* (texture\|2880 dpi) |
| Datum 1: | The EPSON Stylus Photo Printer ensures optimum photo quality imaging. (imaging) |
| Conditional 1: | *If a printer ensures optimum photo quality imaging, then it provides great photo texture.* (texture \| imaging) |

| | |
|---|---|
| Claim: | The EPSON Stylus Photo Printer provides great photo texture. (texture) |

Both conditionals are implied rather than stated explicitly.

According to probability theory, the subjective beliefs corresponding to the argument should be integrated as follows (Wyer and Goldberg 1970; Kardes et al. 2001):

$3_a$. p(texture)=p(texture | 2880 dpi)p(2880 dpi) + p(texture | imaging)p(imaging)–p(texture | 2880 dpi I imaging)p(2880 dpi I imaging) + …

However, there is evidence that individuals do not integrate their beliefs according to equation $3_a$. Instead, message recipients process the "sub-arguments" separately, basing their ultimate acceptance of the claim on the sum of each sub-argument (Hastie and Dawes 2000; Areni 2002). In terms of subjective probabilities, equation $3_a$ is truncated to:

$3_b$. p(texture)=p(texture | 2880 dpi)p(2880 dpi) + p(texture | imaging)p(imaging)

As the number of sub-arguments increases, the inflation of the probability associated with the claim increases, as more and more conjunctions are effectively counted twice, thrice, etc. (Van Wallendael and Hastie 1990). Hence, arguments with multiple data propositions promote greater message acceptance than logically follows from the corresponding beliefs.

## IRRELEVANT QUALIFICATIONS OF CONDITIONALS

Empirical arguments containing irrelevant qualifications specify additional conditions that either strengthen (e.g., "especially if…") or weaken (e.g., "unless…") the main conditional of an argument. In the former case, the qualification applies to virtually all message recipients, whereas in the latter case it applies to relatively few. An advertisement for Yasmin birth control pills includes a qualification that weakens the main conditional:

"A pill that works with your body chemistry? Yasmin is the only birth control pill that affects the excess sodium and water in your body while also maintaining, or in some cases increasing your potassium… How can you be sure that Yasmin is safe for you? …You should not take Yasmin if you have kidney, liver or adrenal disease because this could cause serious health problems."

This argument has the following propositional structure:

| | |
|---|---|
| Datum: | Yasmin birth control pills maintain or increase potassium. (potassium) |
| Conditional $1_a$: | *If a birth control pill maintains or increases potassium, then it is safe.* (safe \| potassium) |
| Conditional $1_b$: | Unless the user is suffering from kidney, liver, or adrenal disease. (safe \| potassium $\cap$ -disease) |
| Claim: | Yasmin is a safe birth control pill. (safe) |

The subjective beliefs relevant to the propositions in this argument can be represented as:

$4_a$: p(safe)=p(safe | potassium $\cap$ -disease)p(potassium $\cap$ -disease) + …

For the vast majority of message recipients, the qualification is irrelevant [i.e., p(-disease)⇒1]. If the qualification is deemed inapplicable, then the system of beliefs corresponding to the argument logically reduces to:

$4_b$:  p(safe)=p(safe | potassium)p(potassium) + …

That is, if p(-disease)=1, then equation $4_a$ is equivalent to equation $4_b$. However, there is evidence that discounting the qualification has the effect of bolstering acceptance of the main conditional toward complete certainty [i.e., p(safe | potassium) )⇒1], such that equation $4_b$ is truncated to:

$4_c$:  p(safe)=p(potassium) + …

In short, actual reasoning includes the inference: "Well, I'm not suffering from kidney, liver, or adrenal disease, so a pill that maintains or increases potassium will *definitely* be safe for me" (Areni 2002). The only remaining consideration is the data proposition (i.e., "does it actually maintain or increase potassium levels?"), which becomes the principal determinant of message acceptance. So, irrelevant qualifications lead to greater acceptance of the claim than that which is logically justified.

## TESTING FOR DIFFERENCES IN LOGICAL AND ACTUAL REASONING

Wyer (1975) developed an interesting approach for testing whether message recipients engage in logical versus illogical reasoning when presented with verbal arguments. To illustrate, for the data proposition in the LG advertisement, respondents would evaluate the statement "LG washing machines don't shake," using an 11-point scale anchored by 0 (not at all likely) and 10 (extremely likely). The subjective probability would then be derived by dividing the observed response by 10. The subjective probabilities corresponding to the remaining propositions in the ad would be measured in a similar manner.

These scales are interesting in that they create a measure ranging from 0.0 to 1.0, similar to actual probabilities. It is perhaps tempting to combine the measured beliefs according to the integration rules implied by logical versus pragmatic reasoning to determine which computed score best predicts the directly measured acceptance of the claim; but such an approach is valid only if the reported "probabilities" are ratio scale measures of the unobservable level of certainty regarding the truth of the corresponding propositions (Anderson 1982; Birnbaum 1973, 1974). Research regarding the measurement of subjective probability suggests that this assumption is not likely to hold (Fillenbaum et al. 1991), and as a result an incorrect function might predict the target belief more accurately than the actual integration rule used by the individual (Birnbaum 1973, 1974; Lynch 1985). However, functional measurement analysis necessitates only the more modest assumption that a monotonic relationship exists between the observed measure and the underlying construct (Anderson 1982; Birnbaum 1974). Under these conditions, logical reasoning can be tested against actual reasoning by including all the relevant subjective beliefs in a general linear model and noting which terms emerge as significant predictors of claim acceptance (Wyer 1975).

For example, consider the representative but irrelevant conditional in the LG washing machine advertisement. The subjective probabilities corresponding to the argument are: p(last), p(shakes), p(-shakes), p(last | shakes), and p(-last | shakes). Given these terms, the logical integration rule shown in equation $1_a$ implies that the p(-last | shake) x p(shake) interaction effect will provide incremental predictive power beyond the corresponding main effects, and

equation $1_b$ suggests that the p(last | shake) x p(shake) interaction effect will provide incremental predictive power beyond the corresponding main effects. On the other hand, actual reasoning involves a p(-last | shake) x p(-shake) interaction, which can be distinguished from the corresponding logical interactions based on the sign of the correlation with p(claim). That is, probability theory indicates a perfect negative correlation between the following pairs of probabilities: p(shakes) and p(-shakes), p(last | -shakes) and p(-last | -shakes), and p(last | shakes) and p(-last | shakes), so for actual reasoning, the correlation of the interaction term with claim acceptance must be opposite in sign to that for the logical interaction terms.

A similar approach can be applied to testing the remaining pragmatic integration rules against those prescribed by logic. For example, the actual processing of hierarchical arguments implies one of two simple main effects models. Either p(claim | $datum_1$) is the lone predictor of claim acceptance (i.e., the "as if" heuristic), or the minimum value of p($datum_2$), p($datum_1$ | $datum_2$), p(claim | $datum_1$) is the only significant term in the resulting model (i.e., the "weak link" heuristic). By contrast, the logical integration rule necessitates that the p(claim | $datum_1$) x p($datum_1$ | $datum_2$) x p($datum_2$) interaction effect provides incremental predictive power beyond the main effects and 2-way interactions in the model (Kardes et al. 2001).

Actual reasoning with respect to arguments with qualified conditionals implies that the subjective belief regarding datum 1 (i.e., Yasmin birth control pills maintain or increase potassium) is the sole predictor of claim acceptance (i.e., Yasmin is a safe birth control pill). Logic, on the other hand, requires that the p(claim | $datum_1$) x p($datum_1$) interaction effect provides incremental predictive power beyond the simple main effects. A strong test of logical versus actual reasoning would involve presenting respondents with either of two versions of the Yasmin argument–one with the qualifying condition and one without. Respondents in the latter condition should be relatively logical, such that the p(safe | potassium) x p(potassium) interaction term provides incremental predictive value. Respondents in the former condition who do not reject the qualifying condition as irrelevant should also reveal a significant two-way interaction. The pragmatic truncation should only emerge for respondents who reject the qualifying condition as irrelevant or implausible.

Perhaps the most difficult test of logical versus actual reasoning involves arguments where multiple data propositions support a single claim, due mainly to the challenge of measuring the conjunctive probabilities in the logical integration rule. For example, in the aforementioned ad for Epson printers, the conjunctive probability would necessitate that respondents answer the following item: "The Epson Stylus Photo Printer controls the size, shape and placement of ink dots up to 2880 dpi *and* ensures optimum photo quality imaging," in addition to the items for each data proposition separately. Although this basic approach has been used in previous research examining irrationality in assessments of conjunctive probabilities (Kahneman and Tversky 1982a), it is not clear that respondents would understand the distinctions among these items. Nevertheless, despite these measurement issues, the actual integration rule implies that the interaction effect involving the conjunctive probabilities provides additional predictive value beyond the main and 2-way interaction effects associated with p(claim | $datum_1$), p($datum_1$), p(claim | $datum_2$), and p($datum_2$).

## DISCUSSION

It seems likely that advertising copywriters have an implicit understanding of each of the principles identified above and exploit these limitations in reasoning to create "convincing" arguments.

Perhaps nowhere is this better illustrated than a recent 30-second television ad for Oil of Olay, which states that the skin cream keeps women looking younger by fighting the seven signs of aging. Each of these conditions is stated in succession by the voiceover with a corresponding visual showing how the product eliminates the condition. The magazine version of the ad also leverages the multiple data propositions with large, bold font stating that the product (1) diminishes the appearance of fine lines and wrinkles, (2) evens skin tone for younger-looking, more balanced color, (3) evens skin tone for younger-looking, more balanced color, (4) improves surface dullness, giving skin a radiant healthy glow, (5) minimizes the appearance of pores, (6) reduces the appearance of blotches and age spots, and (7) soothes dry skin, hydrating with Olay moisture. Given the integration of beliefs implied by equation $3_b$, even if the audience largely rejected each data-conditional combination, the claim would still be accepted with quite a bit of certainty.

Likewise, a magazine advertisement for Mountain Herbs Herbal Enhancement supplement makes the following hierarchical data argument.

"Treat the cause not the symptoms and simplify your life. Herbal Enhancer may reduce the symptoms of PMS by addressing the cause of the problem–hormonal imbalance. Herbal Enhancer contains a synergistic blend of 9 herbs that promote the healthy function of the hypothalamus with herbs that are phylo-oestrogens."

In this 3 level hierarchy, the herbal ingredients (i.e., $data_3$) promote a healthy hypothalamus (i.e., $data_2$), which regulates hormonal imbalance (i.e., $data_1$), which reduces PMS symptoms (i.e., claim). The corresponding conditionals are implied rather than stated. But note that the opening statement draws attention to the hierarchical nature of the argument by discussing the importance of treating the ultimate (i.e., further up the hierarchy) cause of PMS rather than the proximal (i.e., further down the hierarchy) causes, which are nothing more than symptoms of the true problem. In both cases, the ad copy seems to be designed to maximize the impact of the argument structure.

Does this mean that consumers exposed to these argument structures in ads are inherently illogical and prone to over-accepting product claims? Not all deviations from logic can be characterized as illogical, since the mental effort required for logical reasoning comes at a cost. Consumers using these and other heuristics may produce reasonably accurate beliefs on a relative economy of thought. In addition, consumers likely possess complicated beliefs systems linking the propositions in an argument to countless others. Actual reasoning may deviate from "logical" reasoning because consumers rely on exogenous beliefs not actually presented in the argument. Reasoning from experience is likely to result in numerous conscious and unconscious inferences that are perhaps best described as "extra-logical" reasoning.

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# How Brands Enchant: Insights from Observing Community Driven Brand Creation

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## ABSTRACT

This paper explores the emerging phenomenon of community-driven brand creation. Drawing on a longitudinal netnographic study of the "outdoorseiten.net" online community, it develops the concept of "community brands." Community brands are consumer-created brands that enchant their participants by providing creative social spaces, in which they innovate, discuss, manufacture, and brand customized products independently from corporate agents. The study reveals influential expressions of authenticity, creativity, community, and independence within such a social space and derives valuable implications for consumer culture theory and branding.

## INTRODUCTION

In July 2005, after a three-week process of exchanging ideas and discussing improvements, a group of outdoor enthusiasts and online community members decided on the name and symbol for their first own brand: "outdoorseiten.net". Following this event, community members began to label their jointly innovated and manufactured backpacks, jackets, and sleeping bags with their own logo and talk about themselves as the outdoorseiten.net community. The idea of creating a brand name for marking themselves and their products inspired the members to advance the next community project: creating a superior line of functional yet affordable outdoorseiten.net outdoor products. Two years after the development of the logo, the community introduced its first marketable prototype, a small tent, with the outdoorseiten.net brand name. This is only one example of the many brand products that are created by communities of common interests. Skibuilders.com, for instance, has been developing and marketing community-created skis since 2006. PMGEAR has been successfully selling ski gear for 3 years.

Why and how do these interest groups develop their own brands? Why do community driven brands create so much enchantment and commitment among community members? And, what differentiates these brands from corporate brands and their communities? With the unprecedented explosion of consumer-created content and innovation on the Internet and its rising financial, ideological, and social valuation by consumers, these questions become critical for marketing managers, consumer activists, and public policy makers alike.

This paper addresses this gap in knowledge by introducing the concept of "community brand." Community brands represent particular sets of manufactures and meanings that are created and perpetuated by members of online communities. These members share specific interests, such as outdoor sports or fashion. They channel their creativity and develop their skills by designing, producing, sharing, and consuming customized products within a group of fellow enthusiasts. Unlike brand communities which evolve around existing commercial products (Muñiz and O'Guinn 2001), community brands are self-created by members of an existing community. In the inversed process of brand community building, some communities begin to draw on commercial means of logo creation or offshore production for leveraging their own sense of belonging and for sharing their creations with others. Community brands are particularly meaningful, enchanting, and dear to the members that drive them most, but also appeal to community outsiders with an interest in consuming the mysterious aura of unique insider fabrics.

The outdoorseiten.net community provides an ideal context for researching the above questions. The longitudinal study of community processes reveals the particular motivations, meanings, and practices of an emerging crowd of online communities that syndicate their members' knowledge, ideas, and skills to create own branded products.

This article is structured as follows. First, we briefly introduce our context and describe the methods we used for approaching it. Then, we trace the evolution of the outdoorseiten.net community from its beginning to the launch of its first prototype to reveal the key phases of community brand development and the motivations for community members to move from one phase to the next. Subsequently, we use the insights of branding and brand community theory to illuminate the differences among community brands and "classic" brands in the enchantment of consumers. Lastly, we discuss our findings and theoretical implications and offer avenues for further research.

## THEORY

How do brands develop? Existing marketing theory speaks to the question of brand development by offering the concept of brands as "open systems" (Pitt et al. 2006, p.115). Pitt and colleagues identify four key dimensions that constitute a brand: physical, textual, experience, and meanings. These elements are influenced and co-created by consumers and companies in a social context. The physical dimension involves tangible products that are modified, individualized, and even invented by consumers (Prahalad and Ramaswamy 2004). The text dimension comprises brand-related stories, pictures, and videos that are generated by consumers and presented on portals such as MySpace, Wikipedia, and YouTube. Consumers' experiences also influence the brand and its meaning. Spectacles such as concerts, amusement parks, or brand fests rely on the contribution of the audience and their active involvement. Lastly, the meanings that are associated with and ascribed to certain brands can enrich the brand experience and even endow the most desired objects with cult status. Pitt et al's key theoretical argument is that brands are more open to consumer influences than previously assumed. Yet, whereas Pitt et al's work is useful for scrutinizing the dimensions of emerging brands, it lacks empirical insights into how and why consumers contribute to the development of brands over time.

Why do brands enchant? Consumer culture theory offers multifaceted answers to the question of why some brands are dear to people. Fournier and Belk, for instance, highlight the salient emotional values of brands used as human-like relationship partners and extended expressions of self. From an individual perspective within a social context, brands enchant through their symbolic value. As Levy (1959), McCracken (1986), and Thompson and Haytko (Murray 2002) reveal, brands become meaningful through the transfer of cultural resources, individual experiences, and social exchanges to the brand name. The better consumers can use brands as resources for individual identity projects (Holt 2002), the more they seem to enthuse.

From a sociological perspective, Muniz and O'Guinn (2001), Cova (2003), Kozinets (2002a), and McAlexander, Schouten, and Koenig (2002) argue that brands allow consumers to regain a sense of affectionate community within an exceedingly disinterested society (Tönnies 1957; Weber and Rheinstein 1966). These authors

show, how a shared consciousness, rituals and traditions, as well as a sense of moral responsibility weld groups of consumers together around an existing brand (Muñiz and O'Guinn 2001) or a common consumption interest (Cova 2003). At the same time, however, the same brands inspire antagonists and social activist for lobbying against meanings and corporations by creating doppelganger brands (Thompson et al. 2006), anti-brand websites (Luedicke 2006), or individual practices of resistance (Holt 2002).

Next to community and distinction, two further themes leverage brand enthusiasm on a consumer cultural level, namely, authenticity and creativity. Across these theories, authenticity is rated among the most desired characters of a brand's identity (Aaker 1995). According to Holt (2002), firms try to exploit authentic subcultural innovations for creating enchanting brands in a perpetuate circle of variation and co-optation. Consumers strive for creating "emancipated spaces" (Murray and Ozanne 1991) in which they can evade the "branding mill" or even the totalizing market logic (Kozinets 2002a). Consumer creativity in buying, using, modifying, enhancing, or alienating commercial offerings plays a key role in this attempt to evade the commercial mainstream (Muñiz and Schau 2005). Thompson and Coskuner (forthcoming) recently revealed in the context of community-supported agriculture that despite corporate attempts of co-cooptation, consumers are able to create sustainable countervailing markets. These consumer-driven market responses result from the creative use of market mechanisms for alternative ideological agendas.

In summary, existing theory reveals that identity, community, authenticity, and creativity are key characteristics of the most enchanting brands. The initial thesis of this article is that a longitudinal study of online community brands can provide new answers to the above research questions by masking the corporate branding bias.

## METHOD

To study the meanings and processes of community brand development, we selected online communities dedicated to outdoor sports, such as backpacking, wilderness camping, climbing or ski touring, for two reasons: First, outdoor sports are practiced by a great number of people around the world and we expected to find a high number of online communities dedicated to topic. Second, as the right choice of equipment is crucial not only for comfort but also for the safety during outdoor activities, equipment plays a key role for outdoor sportsmen. Hence, we expected to find not only reports of trips and adventures on outdoor websites, but also passionate discussions about outdoor equipment and brands.

Using community-specific and general search engines we identified more than 400 online communities dedicated to outdoor sports, ranging from day-hiking to wilderness camping to ice climbing. After evaluating each community on criteria such as the amount of equipment-related content, professionalism, posting frequency, and number of members we reduced the number of communities to thirty. We analyzed these thirty communities in-depth and finally selected „outdoorseiten.net" as the most promising context for our purpose. Outdoorseiten.net is a message board in German language with more than 4,900 members that is entirely dedicated to outdoor sports. Product-creation related discussions play an important role in the interaction among members. The forum even has a separate sub-section entirely dedicated to self-made gear and equipment.

A netnographic approach (Kozinets 2002b) was chosen for data collection. Netnography has its origin in ethnography (Arnould and Wallendorf 1994) and uses information publicly available on the Internet to study the nature and behavior of online consumer groups. It is mainly used to gain "grounded knowledge" (Glaser and Strauss 1967) concerning a certain research question. Data collection comprised community observation, participant observation, and interviews on community brand creation activities and motives.

We observed the outdoorseiten.net community over a period of 8 months, from Ocotober 2005 to May 2006. Conversation available in the archives dated back more than 2 years was included in our research. Purposive sampling was used by screening of more than 110,000 posts. Interviews were conducted with members of the outdoorseiten.net community. The most relevant statements were filed electronically, resulting in a database of 2,400 posts in 200 different discussions. We analyzed this data using qualitative content analysis. Interpretation was done in several iterative cycles including data received from other sources like press articles and other Internet sources to check the trustworthiness of information and get more sound interpretations.

The members of outdoorseiten.net are between 20 and 45 years old. They spend a significant amount of time in activities related to outdoor sports, ranging from actively doing the sport to reading magazines, preparing their equipment, or communicating with people who share the same interests, both on- and offline. Their high involvement in outdoor sports is shown, for instance, by their impressive stories of climbing the world's highest mountains. In each community, there is a small number of members that contributes the majority of all postings. It is not uncommon for the most enthusiastic members to have hundreds of postings on their community "resume" and–except when they are outdoors–to rarely miss out a day of posting messages. At the outdoorseiten.net community, 1% of all members have posted more than 1,000 messages, 8% are frequent posters (101–1,000 postings), 68% contribute messages from time to time (1-100 postings), and 23% of the total 3,000 members have not posted a single message yet and thus can be considered as lurkers (Nonnecke et al. 2004).

## EMPIRICAL EVIDENCE

In this section, we trace the process of community-driven brand creation, discuss differences among community brands and brand communities, and reveal on these grounds the ways in which community brands enchant their owners.

### Process of community driven brand creation

Four key phases mark the evolution of the outdoorseiten.net community from its creation in 2001 to the launch of its first product under the outdoorseiten.net brand in 2005 (see Table 1). In the following we describe these four phases, giving special attention to the fourth phase in which the outdoorseiten.net brand officially appears and starts producing its own products.

Briefly after its beginning, the outdoorseiten.net community became a preferred meeting place of dedicated outdoor sportsmen who enjoyed talking with like-minded others about their outdoor gear. Members often shared their experiences with outdoor gear and all products and brands on the market were extensively discussed in the community. In this first phase, used products were provided by established companies although some members modified existing products with the intention to better satisfy their needs.

Only two months after its beginning, a new facet of community activities emerged in the community. In order to better satisfy their specific product needs, an increasing number of members started to develop entirely new products on their own.

*Well I just purchased my sewing machine so I have officially jumped into making my own quilt, parka shell, and down vest/coat.*

The development of own products by members characterizes the second phase in the emergence of the outdoorseiten.net brand. The remarkable enthusiasm and dedication displayed in their innovation activities even led the community administrators to implement a new sub-forum termed "Make Your Own Gear". From then on, creative members posted pictures of self-made products in the "Make your own Gear" section and thus inspired other members to become active themselves. The typically very positive feedback to the posted pictures of self-made gear and the high number of members who used the posted guidelines to make similar prototypes illustrate the high quality of self-made gear.

The development of individual logos and brands marks the third phase in the emergence of the outdoorseiten.net brand. In May 2005, innovative community members started to develop their own logos to make perfect their innovation activities.

*To bring your self-made gear to a new level you should develop your own logo, then it's even more fun.*

They arranged the production of their logos by specialized companies and in the following attached their labels to both self-made as well as to bought products. From then on, members referred to products branded in this way as belonging to their own brand.

Attracted by the idea of individual logos, briefly thereafter the idea arose to develop an own logo for the community. The development of the outdoorseiten.net logo is the introduction of the fourth and final phase, which ultimately resulted in the launch of own products under the outdoorseiten.net brand. In the following, the evolution process from individual logos of some members to the community logo, to the development of own products under the outdoorseiten.net brand is elaborated in more detail.

The idea of developing an outdoorseiten.net logo came up in the discussion of two members: one who had just developed and showcased his own, personal logo and another one who was so attracted by the idea that he proposed an own community logo.

*I want something like this from our forum, for my backpack!*

An astonishing number of other members immediately expressed their enthusiasm in such a project and the creation process of an outdoorseiten.net logo was started. As part of the development process, which spanned 5 weeks, more than 10 different design versions of the logo were discussed extensively (see Figure 1). After several changes and modifications of the design, the name and the end-design of the new forum badge was chosen (see Figure 2). At the same time, the community consulted with different emblem shops about the kind of production and price, and organized the way of sale. Within a short time half of all logos were sold to community members. Even the member who took the initiative in distributing the logos was surprised as he did not expect such a high demand:

*Already half of all logos gone? Guys, do you make entire pants of it?*

Once the logos were distributed, community members began to attach the outdoorseiten.net logo on their self-made gear and bought outdoor equipment, in this case typically choosing to paste the logo over the original producers' logo. Immediately, products modified this way were referred to as belonging to the outdoorseiten.net brand:

*Now I have to think where to place the badges on my backpacks. At the moment I cannot think of anything better than*

*replacing the big Macpac-Label. Watch out: "outdoorseiten.net" as a new backpack brand…*

In 2006 the community initiated the development of its first own product: the outdoorseiten.net outdoor tent. The development process was started by one member who–driven by his perception of the vast product-related expertise prevalent in the community-introduced the idea to develop a tent by and for members. Although some members were hesitant at first, almost all agreed to give it a try:

*Boah, if this would work out... I can assume that we will already fail in the definition of details. But who cares, it's worth a try.*

Since then, more than 100 discussions have taken place in the community dealing with questions how the outdoor tent should ideally look like, ranging from its measurements, to materials used, to detailed construction elements. All key decisions were made in a democratic process, as suggested by one member:

*I think an open discussion thread would be a good idea and once we have enough discussion, let's make a poll–like in a political election.*

Overall, more than 200 members have contributed so far to the development of the outdoorseiten.net tent. At this stage, the design and construction details of the outdoorseiten.net tent are already transferred into a virtual, 3 D model. Simultaneously, members are discussing last changes and consider which manufacturer they should contact to produce their community's tent.

## Community Brand versus Brand Community

Brand communities are theorized as groups of people that cultivate close social relationships with and around their most admired brands (Muñiz and O'Guinn 2001). As such, brand community theory provides a suitable contrast for exploring the properties of community brands.

The research conducted at outdoorseiten.net, an online community for dedicated outdoor enthusiasts, has shown that community members replace the original logos of their expensive, high quality outdoor gear with their self-created community logo. Besides of that, the outdoorseiten.net community just started to market a self-developed tent under their own brand. Further a registered association was founded around outdoorseiten.net.

Those examples show that online consumer groups become active themselves, modify existing products, and create completely new ones. Further, in the near future firms may compete with consumer community brands who market their own products.

Community brands differ from other brands in various dimensions (see Table 2). First of all, community brands are created by interest groups, not firms. As we showed in the previous section, the outdoorseiten.net brand emerged from the interaction of numerous community members who all shared the enthusiasm for outdoor sports, after some time created their own branded products, and finally became a community brand. Another difference lies in the meanings associated with brands and how these meanings evolve. In the case of corporate brands, meanings are coined by a company and interpreted and appropriated by different interest groups including e.g. consumers. In contrast, community brands' meanings are created and shaped in the discourse between community members. Numerous statements indicate that for the members of the outdoorseiten.net community, the brand stands for individuality, high quality, and authenticity. Also, the brand's products are

**TABLE 1**

The evolution of the outdoorseiten.net community and brand

| Phase | Interest group activities | Development of own products | Individual label creation | Community brand |
|---|---|---|---|---|
| **Timeline**[1] | *Oct 2001* | *Mar 2002* | *May 2005* | *July 2005* |
| **Community activities** | The outdoorseiten.net community is created in Oct. 2001<br><br>From the beginning, members share stories of using their products during trips<br><br>In-depth evaluation and discussion of all existing outdoor products and brands<br><br>Members arrange trips and meetings to jointly experience products and brands<br><br>Modification of products so that they better fit demands by some members | Members develop their own products which better satisfy their needs<br><br>Self-made products are tested during trips<br><br>Evaluations and suggestions for improvements are jointly discussed<br><br>Other members further advance proposed prototypes<br><br>Posted guidelines are used by other members to create the same prototypes | Members draw designs of own labels and arrange production<br><br>Own labels are attached both to self-made gear as well as to products of existing companies<br><br>Members start speaking of their own brands and their brands' products | Joint development of a logo for the outdoorseiten.net community<br><br>Labeling of self-made products with the outdoorseiten.net logo<br><br>Development of an entire brand around the outdoorseiten.net logo<br><br>The community jointly develops products under the outdoorseiten.net brand<br><br>In 2006, a registered association is created around the outdoorseiten.net brand |

[1] Date shows when phase started

**FIGURE 1**

Drafts Outdoorseiten.net Label
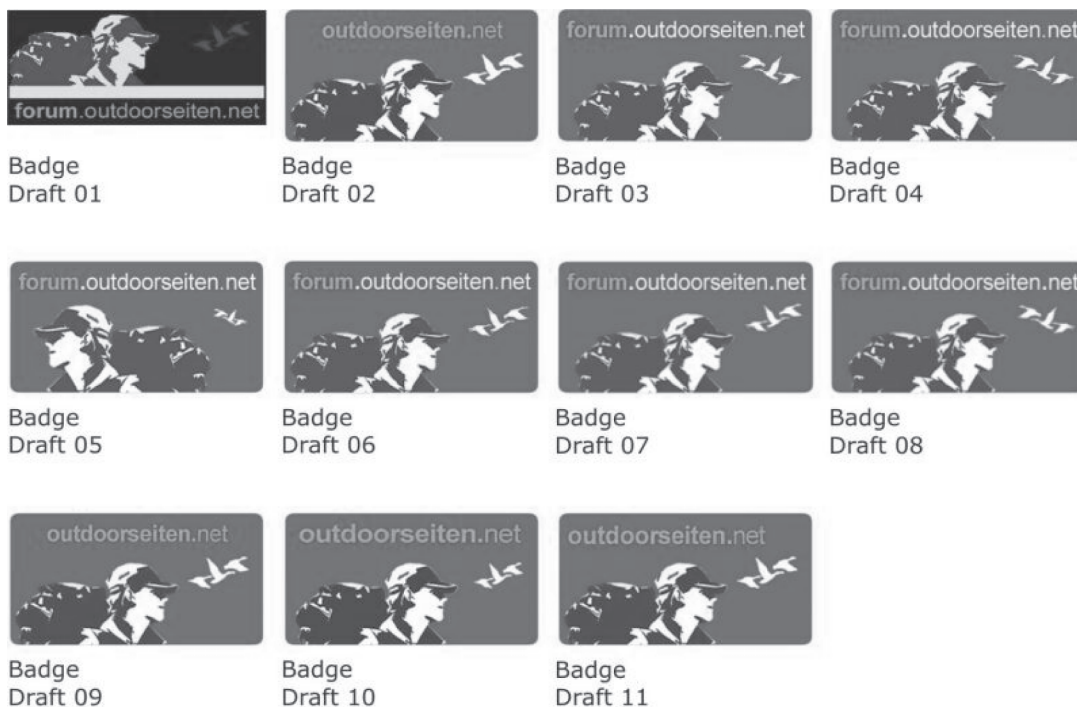
**FIGURE 2**
End-Design Outdoorseiten.net Label



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regarded as capable to compete with existing products on the market, as shown by the following member statement referring to a backpack branded with the outdoorseiten.net logo:

*Yeah! I have a new backpack. A great piece. The best which currently exists on the market. Brand: outdoorseiten.net*

Traditional brands and community brands further differ in regard to who manages the key-tasks in the development of new products. Typically, design, production, marketing and distribution of products are carried out by companies. In contrary, products of the outdoorseiten.net brand are developed predominately by the community itself. The members conceptualize and market all new products and companies are only called upon in managing production and logistics.

A further aspect in which brands and community brands differ from each other is which groups ultimately consume the brand's product. While the customers of corporately advertised brands may be part of a variety of communities and interest groups, the products of the outdoorseiten.net brand are predominately used by the members of the community itself. Hence, in community brands producers and "customers" are one and the same group of people. But brands and community brands not only differ in regard to who uses their products and who manages the key-tasks in product development, but also *why* products are developed at all. While companies in most cases develop products with the aim to satisfy the needs of their customers and to earn enough money to ensure the company's survival and growth, the outdoorseiten.net brand first and foremost aims to provide the best products possible to its own members.

In their creative activities, strong emotional bonds emerge between the most active members of the creation process–marking another aspect, which differentiates community brands from other brands.

Finally, another dimension, which distinguishes conventional brands from community brands is the pattern of communication. In the case of commercial brands, brand related communication is conducted through mass media. In contrast, within community brands communication is managed through word-of-mouth and some respected members who take the role of community ambassadors.

**How Do Community Brands Enchant Consumers?**

What is it that drives community members to dedicate their entire spare time to the community and to the building of the community brand? Many members, especially those of the "Make your Own Gear" sub forum just love to create their own equipment, their meanings and their stories. Everything is centered around ability to do it themselves. Everything which does not fit 100 % is modified, tailored and created by them till they get a solution which meets their needs. Initially, the desire for unique solutions, need for better, more specific equipment, or to save money may trigger to engage in the community creation activities. Besides of the utility gained from their self-created solutions and the fun derived from the creative act, community aspects like sharing experiences and know-how with others, and striving for pride and recognition present further important aspects.

*…but who besides us can claim to wear a jacket of one's own brand???*

It is the enthusiasm and love for the activity which keeps them to spend loads of time. Further, outdoor community members like to identify each other as outdoorseiten.net community members even when they do not know each other and have never met before. Therefore they needed and created symbols and artefacts like such labels and special color codes to be able to recognize other members.

*Wouldn't it be cool if we meet and get to know each other at any place and at any time with a outdoorseiten.net logo?*

The pride of belonging to the community and to their own created label is that strong that some of the less skill community members buy e.g. pants or jackets from established manufacturers remove the original labels and replace it with their outdoorseiten.net logo.

*I had the same idea. Place them right on the Haglöfs Logo. I'm wondering if the size fits.*

*Yes. Directly on the firm logo. There, the logo is spotted best.*

For other community members, commercial brands are not really attractive, because they are associated with status and behaviors not desired

*I find brand labels as status symbols apish anyway.*

In addition to that the community members think that their self-created stuff is much cooler than offers from known brands at less cost.

*I get a lot of satisfaction (creative and otherwise) from knowing that I saved forty bucks by making my own silnylon tarp. I get satisfaction from knowing I can construct better than the gear companies. They don't make nice wide, genuine french-fell seams, with five rows of stitching. My four ounce home made cooking set that cost me under a dollar gives me satisfaction too.*

**TABLE 2**
Comparison of Brands with Community Brands

| Dimension | Brand (Community) | Community Brand |
|---|---|---|
| Initiation | Created by commercial companies | Created by community members, often members of interest groups |
| Community Type | Brand Community: Center around existing commercial brands | Interest Groups who create their own branded products and become a Community Brand |
| Meaning | Suggested by a company, interpreted and appropriated by different interest groups | Results from and is constantly shaped by community discourse |
| Products | Products are designed, produced and marketed by companies | Products are designed and marketed by the community. Production and logistics are outsourced and managed by companies |
| Narrative/ Archetype | Centered around the offering Provided by company and centered on attractive stories–artificial. | Centered around the community The community is the brand. All interactions and discourses of the community are part of the story and manifested through all members (texts, discussions, products, artefacts) |
| Customers | Members of various communities and interest groups; including commercial consumers only, symbolic free-rider | Predominantly members of the online community Self-supporters: producer=customer |
| Relationship | Typically professional rather than social bonds between "creators" of brands | Strong emotional bonds of the community members especially of those who actively engage in the creation process who form the core. |
| Control | By company and community | Community |
| Communication | Through mass media and community discourse | Word-of mouth through community ambassadors |
| Aim | To maximize earnings and make customers happy Ensure surviving of the company | To satisfy own needs! To ensure surviving of the community and provide best products |

For some community members, outdoorseiten.net is not just a hobby but a philosophy. It is one main reason for their existence.

## DISCUSSION

Using the concept of community brands, the paper presents empirical evidence for the emergence and evolution of community-driven brands and explores how these brands differ from other emotionally laden brands in their enchantment of their interest groups. Community brands are created by people who share common interests, not by firms. Community brands create motives, ideologies, and modes of self-organization that suit the majority needs of the active members rather than the needs of economically interested shareholders. Community brands are inspired by the independence, creativity, knowledge, and distinction of their members. The ability to commonly design products that exactly suit particular functional and symbolic needs at lower expenses and without the threat of being exploited or overtaken by the next fashion wave enchants the owners of community brands. The research shows that community brands are not limited to open source software, but also exist in the material world.

This study contributes to consumer culture theory in at least four important ways: First, Kozinets (2002a) has argued on the basis of an ethnographic study of the "Burning Man" festival that consumers can try, but succeed only temporarily at "escaping the market." In contrast, community brand members are not interested in evading the logic of the "market," but evading the dependence on corporate innovation and brands. Hence, community brands eagerly use market mechanisms such as branding or offshore production for their own projects, while liberating themselves successfully from the influences of corporations. In accordance with Thompson and Coskuner's (forthcoming) recent findings we show that consumers may create sustainable countervailing markets to evade the

power of brands and corporations, but certainly for fulfilling their own desires and authentic interests independently. In addition to Thompson and Coskuner, our context reveals that countervailing markets not only emerge in retro contexts of romantic agricultural ideals, but also prosper by advancing novel meanings, experiences, and things.

Second, according to Holt (2002) and others, brands must strive for authenticity to become successful "citizen artists." Community brands are systematically authentic, as they are driven by people that believe their own motives. As long as community brands successfully evade the impression of being commercially influenced, the sense of authenticity leverages trust, mystique, and meaning of the community brand. However, this impression can quickly arise, for instance, if salient community members are unmasked as corporate figures or the community explores options of selling some ideas to companies. Authenticity is also ensured by the mechanism of reputation by contribution. The group's most active members earn their kudos by sharing extensively, listening to creative members, and enhancing the value of the community brand in best accordance with the group.

Third, we find many members of self-branded communities to be highly loyal, passionate, and devoted to their brand. In contrast to classic branding theory, which distinguishes consumers from brands, the community brand concept suggests that the community is the brand. Hence, consumer-brand disputes that are discussed in the consumerism literature are of marginal relevance in the case of community brands. Here, consumer-brand struggles are internal differences among members.

Fourth, one salient motivating factor and source of enchantment is the independence of community brands from corporate influences. Classic brand enthusiasts are constantly threatened by corporate decisions, as they have no voice in the innovation process but only an exit option (Hirschman 1970). Apple introduced the Intel processor and abandoned the Newton handheld; Harley Davidson launched bikes for yuppies; and Hummer introduced a small mass-market sport utility vehicle. Consumers and admirers of these brands have struggled with these decisions for various reasons, but predominantly because they resented the destruction of a brand element that was important to the respective owner. Whereas firms can dictate the objects and strongly influence the meanings and experiences of brands, community brands create their own ideologies, define their own qualities, advance with their own pace, and define the prices they want to pay or charge democratically. This liberation and stability within a turbulent market environment perpetuates consumer creativity, participation, and esteem and creates a leveraged knowledge-elitist position that allows for ignoring the latest fashion (Holt 2002).

## CONCLUSION

In conclusion, our research reveals how groups of people with shared interests become brand creators by perpetuating a democratic, self-organized, creative community brand. The study provides valuable insights into the potential of community brands as enchanting, authentic brands that differ dramatically from traditional brands and their communities.

Given that production and design capabilities become more easily accessible for communities in the near future, the concept of community brands has the potential of drastically transforming the market (cf. Giesler forthcoming). Yet, even though these recent developments can present a threat to existing commercial organizations, they also entail new business opportunities (Thompson et al. 2006). Companies such as "Threadless" and "Spreadshirt," for instance, already profitably provide services for creative community brands. However, on a larger economic scale, the emergence of community brands challenges the common conviction that specialized product knowledge and branding proficiency are the most sustainable, inimitable resources for the western corporate world.

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# Relationship Glue: Customers and Marketers Co-Creating a Purchase Experience

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## ABSTRACT

Co-creation occurs when a customer works together with a marketer to create a consumption experience that adds value to the purchase process. Although authors have proposed this idea before, this research reports the first empirical support. The research instrument first exposes different respondents to scenarios that differ in the extent of co-creation present whilst retaining exactly the same eventual purchase outcome. Then the research variables (Co-creation, Trust, Satisfaction, Relationship strength, and Loyalty) are measured. A structural equation model provides positive support for the hypothesized relationships, where co-creation does indeed strengthen the relationship through increasing levels of satisfaction and trust.

## RESEARCH FOCUS

A fundamental requirement for the evolution of the marketing function is to explore and develop marketing approaches that are customer-centric (Parasuraman and Grewal 2000). One new conceptual approach consistent with a customer-centric focus is co-creation, which can occur when a customer is actively involved in some way in the design, delivery, and creation of the customer experience(Sheth, Sisodia, and Sharma 2000). The literature suggests that the co-creation view shifts the focus onto the customer; hence, Sheth's assertion that co-creation is inherently customer-centric. In simple terms, co-creation creates a unique value for the customer elevating a transaction to a relation-building experience. The outcome for a company adopting a co-creative approach is a unique differential advantage that is difficult to imitate.

The aim of this research is to empirically test this concept, by investigating the extent to which customers who experience a co-created customer (purchase) experience derive increasing levels of satisfaction and trust, and consequently develop a stronger relationship with the company and become more loyal.

### The Meaning of Co-Creation

A co-creative customer experience means that the customer is actively involved and contributing in some way in the design, delivery, and creation of the customer experience. To achieve the co-created experience, the customer must interact with the marketing provider (and perhaps other relevant actors in the experience network) to enable the co-construction of the experience. The outcome of the active contribution of the customer makes each experience unique, personalized and may provide a customized solution to the client. Co-creation is a new marketing approach that offers the potential for creating value for customers to a greater degree than company-centric marketing approaches. In co-creation, the customer is an integral, active part of the value creating process. This is in contrast to the conventional Porter Value Chain framework, where the customer plays a passive role in the value creation process (Ramirez 1999; Wikstrom 1996a).

Customer purchasing processes in the co-creation perspective represent an important stage for value creation. Value, in the co-creation view, is a collaborative effort of all actors in the up and downstream stages of the value-creating process. All actors in the value-creation network act as facilitators in creating value, which is fully realized only when the customer uses the product for a specific problem-solving situation. This is acknowledged as the 'value in use' perspective (Ramirez 1999; Vargo and Lusch 2004). The degree of interaction with relevant actors is one factor that determines the quality and extent of the co-created solutions. In the context of co-created value, it is not only the product or service the customer purchases that generates value to the customer, but also the total customer experience gained because of the dialogue and interactions in the network of customer experiences. Thus, the total customer experience in the purchase process determines the degree of enhanced value derived from the co-created exchange. Co-created value is a sum of the derivation of the dialogue, interactions, personalized treatment, and level of customization co-created in the experience network. This degree of enhanced value is what differentiates co-created customer experience from conventional value derived from a company-centric customer experience.

In the conventional company-centric perspective, the marketing provider is the dominant player in the creation, management, and delivery of the product to the customer. The company-centric view holds that the customer is a passive player in the marketing process (Calhoun 2001; Prahalad and Ramaswamy 2000; Smith 2001).

Despite increasing attention on the co-creation approach to creating value, there are differing views on the actual meaning and definition of co-creation. There is general agreement in the literature that co-creation is a customer-centric approach, however there is no clear consensus on the precise meaning of co-creation. Furthermore, there is a range of terms used to denote customer participation in the value creating process. Authors have employed terms such as customer participation, joint production, co-production, collaboration, and joint-value creation to mirror co-creation. However, these terms as applied in the literature do not always equate to co-creation, leading to a lack of clarity regarding the precise meaning of co-creation. From an analysis of the literature, the adoption and practice of co-creation seems to have developed in two discrete stages.

The first stage is where the producer is the primary value creator and customers participate in the co-creation process via toolkits set up by the company (Bitner, Faranda, Hubbert, and Zeithaml 1997; Jeppesen and Molin 2003; Kellog, Youngdahl, and Bowen 1997; Kotze and du Plessis 2003). An example of this view of customer co-creation is evident in mass customization strategies of companies such as Dell (Lampel and Mintzberg 1996; Piller, Schubert, Koch, and Moslein 2005).

The more mature conceptualization of co-creation is set in the context of how customers interpret and create new meanings in consumption. These meanings and interpretations are constructed jointly and collaboratively together with the actors in the value chain and or customers in the experience network (Flint 2005; Katz and Sugiyama 2005; Poulsson and Kale 2004; Prahalad and Ramaswamy 2003; Wikstrom 1996b). Co-created value is the outcome of the subjective, personalized consumption experience of the consumer. The focus here is on identity and image creation as an outcome of the interactions in the experience network. In this later approach to co-creation, the customer is the primary driving force and the company becomes the facilitator in the co-creation process.

In summary, co-creation is a process requiring an active participation of the customer and relevant actors in the experience

**FIGURE 1**
The Research Model
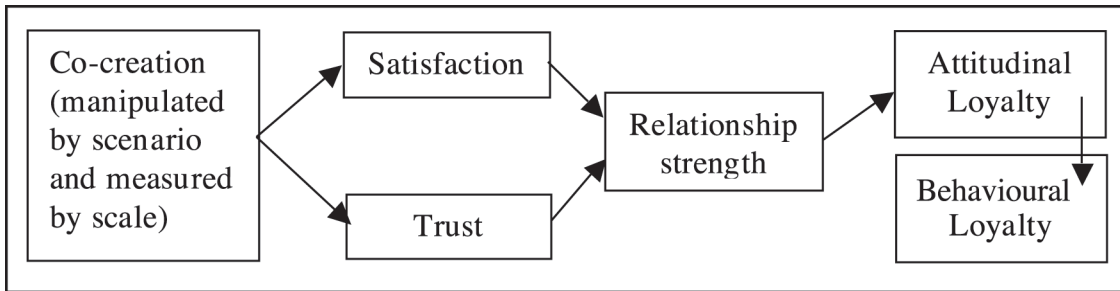


network. The dialogue and interactions between the customer and relevant actors leads to new, reconfigured, and enhanced problem solving solutions for the customer. These solutions cannot occur without the presence and interactions of relevant actors in a specific co-creation situation. Co-created value is a derivative of a combination of the interactions, degree of personalization and customization created in the context of customers' problem solving situation (Lundkvist and Yaklef 2004; Mascarenhas, Kesavan, and Bernaccchi 2004; Normann and Ramirez 1993; Ottensen, Ranes, and Gronhaug 2005; Ramaswamy 2005).

## CO-CREATION AND ITS OUTCOMES: A RESEARCH MODEL

Studies on co-creation up to now have focused primarily on understanding and clarifying the concept. A key issue for marketers is to develop a better understanding of the impact of co-creation on the key marketing outcomes of customer satisfaction; customer loyalty, trust, relationship strength and the consequent loyalty induced. Strong empirical evidence between co-creation and key performance measures, which is currently lacking, will provide impetus to adopt co-creation marketing. The discussion in this section will present theoretical links between co-creation and the key performance measures mentioned above and illustrated in Figure 1.

Co-creative enhancement of the quality of the purchase interaction over and above the value received from the product purchased from the business has two potential effects for the customer. Firstly, it reduces the costs of a transaction for a customer and secondly it reduces risk and uncertainty for the customer. Vandenbosch and Dawer (2002) suggest that co-creation can reduce interaction costs for customers, which in turn will lead to increased trust, satisfaction with the company and improve customer loyalty behavior.

### Satisfaction

One important factor contributing to customer loyalty is customer satisfaction (Garbarino and Johnson 1999). Consequently, dissatisfied customers–or even customers with low satisfaction levels–will generally not exhibit repurchase behavior. In this context, co-creation via active customer participation, interaction and personalization can affect customer satisfaction, trust, and create strong relationships between the company and customer. All these will have an impact on customer loyalty (Bitner et al. 1997; Kellog et al. 1997).

### Trust and Relationship Strength

The KMV (Key Mediating Variables) Model put forward by Morgan and Hunt (1994) postulates antecedents and outcomes in a buyer-seller relationship within a business-to-business context. The study reveals that trust does not form part of the relationship commitment construct, rather it is a separate mediating variable influencing the buyer seller relationship. A more recent article, however, takes the perspective that relationship strength is a better way to evaluating the buyer seller relationships (Hausman 2001). The Relationship Strength construct is a hybrid construct that combines the relationship commitment construct and the trust variable of Morgan and Hunt (1994) into a single construct. In both these approaches, the principal focus is the relationship itself–to understand the mediating role of the relationship between a set of inputs and outputs. The implicit assumption of both approaches is that the strength of the relationship will influence customer retention. It is postulated here that co-creation, via its interaction and personalization properties, will have a positive impact on trust and consequently strengthen the relationship between the company and customer ultimately leading to customer retention (Edvardsson and Johnston 2005; Malaviya and Spargo 2002).

## RESEARCH METHOD

In this preliminary study, the research exposes groups of undergraduates to three different scenarios designed to generate a broad range of perceptions of co-creation across the sample. The researchers measure these perceptions on an instrument that also gathers measurements of trust, satisfaction, relationship strength and both attitudinal and behavioral loyalty. The analysis employs AMOS 6.0 to construct and test the research model with structural equations.

### Sample

One of the researchers presented undergraduate students, in a research methodology class, with a questionnaire in class time. The exercise formed part of their curriculum studies and the class instructor has blanket ethical approval for collecting data this way as long as the work forms an integral part of the students' course. The database consists of 177 responses; the gender balance is approximately even.

### Materials, scales and procedure

Appendix 1 contains a complete questionnaire. The research depends upon a device used to give a spread of scores on the Co-creation variable itself. Prior to answering the questionnaire the respondents read one of three scenarios, each describing the same purchase situation for an identical airline booking, but each scenario contains a different level of co-creation. The three scenarios are in Appendix 2. After reading a scenario, each respondent answered the research questions, finishing with three questions asking their perceptions of the amount of co-creation in the scenario

**TABLE 1**
Measurement Model fit statistics

| Model | GFI | AGFI | CMIN/DF | RMR | RMSEA |
|---|---|---|---|---|---|
| CC/S/T | .958 | .925 | 1.46 | .044 | .051 |
| A/B Loyalty | .878 | .787 | 3.85 | .073 | .127 |

**TABLE 2**
CFA for latent variables–regression weights

| | | | Estimate | S.E. | C.R. | p |
|---|---|---|---|---|---|---|
| RS2 | ← | Relationship Strength | 1.000 | | | |
| RS3 | ← | Relationship Strength | 1.011 | .156 | 6.463 | < .001 |
| AL1 | ← | Loyalty | .804 | .094 | 8.545 | < .001 |
| AL2 | ← | Loyalty | .761 | .088 | 8.615 | < .001 |
| AL3 | ← | Loyalty | 1.000 | | | |
| BL1 | ← | Loyalty | .931 | .092 | 10.148 | < .001 |
| BL2 | ← | Loyalty | 1.292 | .113 | 11.404 | < .001 |
| BL3 | ← | Loyalty | 1.189 | .107 | 11.144 | < .001 |
| BL4 | ← | Loyalty | .899 | .124 | 7.246 | < .001 |

they had read. The Alpha coefficient for the newly developed, three-item scale is .816. Relationship Strength has also never yet been directly measured and reported in the literature. One of the items used does not contribute to the scale Alpha and was thus dropped; the remaining two items are highly correlated (Pearson's correlation=.69, $p$<.001).

The research utilizes previously used scales for all other variables, which have satisfactory reliability, with the exception of Trust (three items drawn from Morgan and Hunt (1994). The analysts noted the low reliability of Trust (Alpha=.66), but all items do contribute to the Alpha score so they made a considered judgment to let the scale remain. Satisfaction, composed of three items from Ranaweera and Prabhu (2003) has an Alpha of .79. Loyalty is composed of seven items. Four are Behavioral Loyalty items from Garbarino and Johnson (1999), and three Attitudinal Loyalty items from Ganesh, Arnold, and Reynolds (2000). The Alpha for the composite Loyalty variable is .881. (Initially these two aspects of loyalty were to stand as separate variables, but their correlation is too high to allow modeling.)

The researchers validated the scales within the model by creating two first-order SEM measurement models. The first is for Co-creation, Satisfaction and Trust, the second for Relationship Strength and Loyalty. The fit statistics in Table 1 and the parameter estimates in Table 2 give further confidence to the model variables. A Maximum Likelihood extraction is used.

## ANALYSIS

Initially the analysts used a Maximum Likelihood estimation method to examine the structural model. The Model's fit statistics, however, are very marginal (GFI=.829, AGFI=.762, CMIN/DF=2.99, RMSEA=1.07). These statistics place the fit at the very lowest level of acceptance, even for a model using only 177 responses. Further inspection, though, reveals a multivariate kurtosis value of 82.5; a Mardia's coefficient value in excess of 1.96 indicates a problem with multivariate normality. Even a cursory consideration of the distributions of the variables in the model shows that most are severely leptokurtic (possibly due to the use of a student sample). In this circumstance, enlarging the sample by bootstrapping is unlikely to remove the bias so an Unweighted least squares estimation method is used. Although this relatively rarely used method does not yield a Chi square statistic, it does operate well regardless of the scales' non-normality. The consequent fit statistics are all well within the parameters indicating a well-fitting model (GFI=.963, AGFI=.949, NFI=.947, CMIN/DF=2.20). The Model in Figure 2 shows the parameter estimates as standardized regression weights.

## DISCUSSION

Both Satisfaction and Trust mediate the relationship of Co-creation with Relationship Strength. Although the model fit statistics remain satisfactory, the path estimate for a new path directly

**FIGURE 2**
SEM Structural Model with Estimates
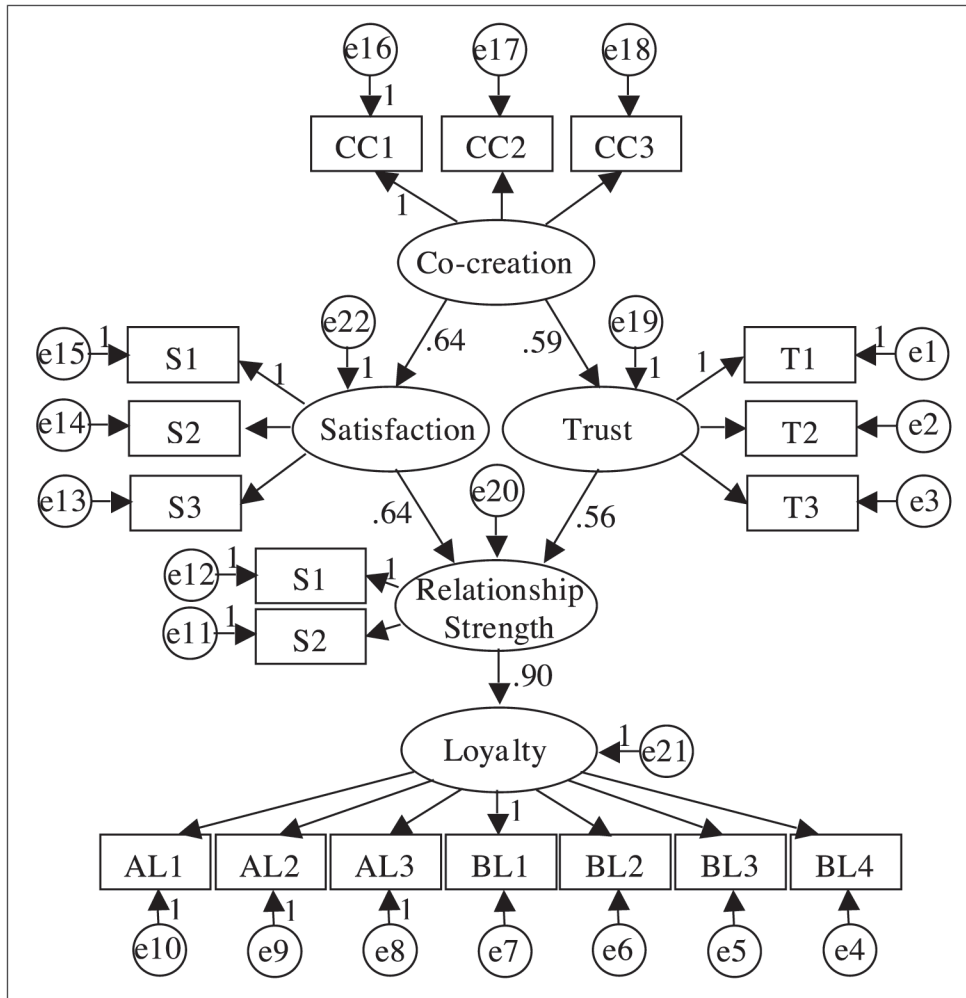


from Co-creation to Relationship Strength has a negative value. Similarly, Relationship Strength provides partial mediation for Satisfaction and Loyalty (a path estimate of only .37) and full mediation for trust and Loyalty (a negative path estimate).

**Implications for theory**

Prior research has not reported that either Co-creation or Relationship Strength have been measured before. The sample used here was far from ideal and is rather small for structural modeling. Nevertheless, co-creation does appear to generate both satisfaction and trust, with the expected increase in relationship strength and loyalty.

There are many questions left unanswered, of course. There is a host of possible moderating variables, from product type (credence goods, hedonistic versus utilitarian) and industry type (B2B versus B2C) to purchase situation (online versus offline)–there is even a suggestion that co-creation is advantageous in discrete as well as relational purchase situations. Yet there is great promise here for a stronger, confirmatory study to show that the co-creation idea increasingly mooted in the literature does have an empirical foundation.

**Implications for practice**

Some businesses are already going down the co-creation path. It is not yet widely understood by many businesses, though, exactly what benefits can flow from such a course. Consumer marketing has become increasingly competitive in recent years. To develop sustainable competitive advantages marketers require strategies that are more resilient to imitation than attribute modifications. In this regard, marketers turned their attention to intangible resource strategies such as branding and relationship marketing as a means to ensure long-term competitive advantages (Gronroos 1994). There is evidence to show that a strong brand is an effective competitive strategy to develop customer loyalty (Neal, Quester, and Hawkins 2004).

A second competitive strategy based on intangible resources is relationship marketing. The basic thrust of this approach is to develop an on-going relationship with the customer. The benefits of a positive ongoing relationship are loyalty by way of repeat purchases and positive word of mouth communications for the marketing provider. Relationship marketing can also bring about cost reductions in running the business and consequently influence the bottom line of the business.

The consumer behavior environment in recent years has seen an increasing shift toward the consumption of lifestyle products. This shift signals a move toward satisfying higher-order needs of customers. While lower-order needs are still important, these represent the lower end of the spectrum of customer expectations. To create customer value businesses need to focus on competitive advantages that relate to satisfying higher order needs of customers.

**APPENDIX 1**
Scenarios

Imagine that you have been invited to stay in London with your married, older brother for a two-week holiday. The accommodation is, of course, free, and the prospect of an early summer holiday very attractive. There seems no problem, as the School has a between-semester break and your kindly brother has sent some cash toward the tickets.

Quite excited, you try booking your flights on-line, but it proves really hard and, anyway, you don't have a credit card so it would be impossible to pay on-line. So, off to the travel agent you go. Your friend has recommended an excellent agent situated in Holland Village; you have your travel dates all sorted out and ring the agency; John Tan answers and you make an appointment to see him.

When you arrive at the agency, John seems nice enough, and greets you with a smile. After chatting in general about your fabulous holiday offer, you tell John the days you wish to travel and ask him for the cheapest return ticket. John has no hesitation and states that Qantas have a flight that morning, priced at a very reasonable $1,506.00. It leaves at 11.00 in the morning and so you don't have to arrive at the airport at an uncivilized, early hour. You ask for a window seat and, after checking, John finds seat 34A for you, for both the outward and return flights. Finally, John assures you that he has noted your requirement for vegetarian food.

You leave the agency feeling very pleased with your purchase.

Additional material in the second version
…John turns to his computer and, a few minutes later, produces a list of four flights leaving that day for London. Of the four airlines, the cheapest one is leaving at 8.00 in the morning, and another two leave late but get into London very early in the morning indeed. Qantas have a flight leaving at 11.00 in the morning, so you don't have to arrive at the airport at an uncivilized, early hour, but it is slightly more expensive than the less convenient flights. You discuss this with John and decide that the Qantas flight is the best choice, priced at $1,506.00.

Additional material in the third version
…You ask for a window seat and John brings up the aircraft seating-plan on his console and turns it so you can see. You then discuss the relative merits of being on the escape hatch row near the kitchen versus another row away from the kitchen and toilets but with less leg-room. You decide on the escape-hatch row and John secures seat 34A for you, for both the outward and return flights.

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In this context, it could be said that enabling good customer experiences is consistent with the satisfaction of higher-order needs of customers (Achrol and Kotler 1999; Vargo and Lusch 2004).

Finally, developments in communications technology are facilitating the adoption of co-creation strategies. For example, the Internet channel provides scope for greater interaction and an active involvement of the customer in the marketing process. There is a range of ways consumers can be involved from the simple act of finding relevant information to a high level of customer involvement in respect of customized solutions. Internet technology has also enabled consumers to interact and share information with each other e.g. customer communities and blogs. This interaction provides a platform for consumers to share experiences and to co-create customer-to-customer solutions (consumer-to-consumer co-creation). An example of this is customers networking with each other in a customer community, sharing ideas and solving problems jointly on a website (Achrol and Kotler 1999). In the context of co-creative marketing strategies, developments in communication technology add a touch-point for a greater level of involvement and interaction between customers and the experience network.

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**APPENDIX 2**

The Research Instrument

Please indicate the extent to which you agree or disagree to the following statements by writing an appropriate number in the box opposite each statement, where:

| Disagree | | | | | | | | Agree |
|---|---|---|---|---|---|---|---|---|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | |
| strongly | | | | | | | | strongly |

1　I would highly recommend my travel agent to my friends and family………….

2　In our relationship, my travel agent can be counted to do what is right…....……

3　It is risky to change as a new travel agent may not give such good service........

4　The probability that I will use this service again in future is very high………..

5　I am likely to make positive comments about my travel agent to my friends and family…………………………………………………………………………

6　Overall, I am pleased with the services offered by my travel agent…................

7　My relationship to this specific travel agent is very strong……..………...........

8　In our relationship, my travel agent has high integrity…………………………..

9　As long as the present service continues, I doubt that I would change my travel agent…….

10　The services offered by my travel agent meet my expectations………………...

11　My relationship to this specific travel agent is very important to me……...........

12　In our relationship, my travel agent can be trusted at all times…………………

13　In the future I intend to use more of the services offered by my travel agent…...

14　I think I did the right thing when I took up the services provided by this travel agent……………………………………………………………………………..

15　I intend to continue using my travel agency over some time……......................

16　My relationship to this specific travel agent is something I really care about.....

17　If I had to do it over again, I would still engage this travel agency……………..

18　I would feel upset if I terminated my current relationship with my travel agent

19　I would lose a comfortable relationship with my current service provider if I change to another travel agency…………………………………………………

We are interested in the concept of " Customer co-creation," which occurs when a company and their customer work together to create a (purchase) solution. Now, please consider the passage you read before answering the questions and answer the few questions below, using the same " strongly disagree" (1) to " Strongly agree" (7) scale as before.

20　The company really went out of its way to work with the customer……………

21　The final purchase solution was arrived at mainly through the joint effort of the company and the customer…………………………………………………………

22　I would describe the situation described as a very high level of purchasing co-creation…………………………………………………………………………

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# Cultural Syncretism and Ramadan Observance: Consumer Research Visits Islam

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## ABSTRACT

With the exception of work done by Ger, Sandikci and their collaborators, consumer behavior within Islamic cultures has been little investigated. The present study focuses on the Muslim holy month of fasting, Ramadan, as observed in contemporary Tunisia. We propose that current ritual practices and consumer understandings of this Islamic tradition represent a syncretic blending of Western and Oriental values amidst a culturally-constructed mélange of kinship, capitalism, materialism, asceticism and hedonism (Belk, Wallendorf and Sherry 1989; O'Guinn and Belk 1989).

## PRIOR RESEARCH ON CONSUMER BEHAVIOR IN ISLAMIC SOCIETIES

The present study builds upon research conducted by Ger, Sandikci and their colleagues from 2000-2005. These consumer researchers are largely responsible for introducing consumer research to issues and realities in Islamic societies. In the paper ("Flying Carpets", 2000), Ger and Csaba examined how traditional artifact production processes in Turkey came to be associated with the 'authentic' and 'exotic' Otherness of the Orient among Western consumers, resulting in sometimes staged production processes meant for tourist consumption. They discussed, as well, the reclaiming of authenticity by local Turkish carpet producers by recasting their work as personal aesthetic expression or as a revitalization of an ancient indigenous craft, practiced largely by women.

Another study (Ustuner, Ger, Holt 2000) examined the re-emergence of the traditional Islamic henna-night ceremony for an engaged woman as a new urban ritual, again within a Turkish context. In that study, discussion focused upon the transformation of a religious, patriarchy-enabling practice into a secular women-empowering activity that had been relocated from past to present and from rural to urban. As before, these researchers were careful to situate their interpretation within the politico-cultural transformation of Turkey from the Islamic Ottoman Empire to a modern-day secular republic. The repositioning of the henna-night event from the fiancée's home to a commercial supper club was one semiotic device used to achieve this transformation of meaning.

Sandikci and Ger (2001) addressed the issue of Islamic consumption styles in Turkey by investigating the apparel worn by observant women. In particular, female headcoverings were read as an example of fusion "at the intersection of the local and the global (p.1 online version)" and of intra-gender conflict over the roles of women in contemporary Islamic society. Islamic objects could be made into marketplace offerings–creating an interpenetration of the sacred and the secular (Hirschman 1988; Belk, Sherry and Wallendorf 1986).

In a later study (Sandikci and Ger 2002), they put forward a more comprehensive theoretical statement stressing the subtleties and syncretism typical of modernizing Islamic societies. Noting that culture change is neither universal nor unidirectional, they argued for the recognition of modern consumer behaviors that are "never singular, but always relational and contextual…[and which] cross-fertilize each other (p. 9 online version)". In the present study, these threads of thought will be used to weave an interpretation of the Islamic ritual of Ramadan in contemporary Tunisia.

## RITUAL FOCUS OF STUDY: RAMADAN

Ramadan, the fourth pillar of Islam, is observed during the ninth month of the Muslim (Hijri) calendar and dates from 638 CE (Esposito 1999). Ramadan commemorates the revelation of the Qur'an to the Prophet Muhammed. It is characterized by prayers, fasting, charity and self-accountability. All adult Muslims, who are not ill or infirm, are expected to ob- serve fasting (Arabic: 'sawm') during daylight hours for the entire lunar month (Lapidus 1996). To properly observe Ramadan, the faithful must abstain from all forms of sensory pleasure between dawn (fajr) and sunset (maghrib); these include the activities of eating, drinking, smoking and sexual intercourse. One is also proscribed from expressing anger, envy, greed, lust and verbal assaults on others, e.g., vicious gossip, sarcasm, insults. The faithful are expected to read and meditate upon the teachings of the Qur'an, and to avoid coming into contact with profane or sacrilegious objects or experiences.

Ramadan is ended by the sighting of the next new moon; the close of Ramadan is celebrated by a period of feasting: eid al-Fitr. During this time, food is given to the poor (zaka al-Fitr), each person bathes and puts on his/her best apparel, communal prayers are offered at daybreak, and the rest of the day is spent feasting and visiting friends and family (Esposito 1999, Lapidus 1996).

Despite these religious traditions, current Ramadan observance is most accurately characterized as a consumption festival, a communal experience that rallies all Moslems for a whole month (see e.g., Wallendorf and Arnould 1991). Although, theoretically, the individuals are commanded by God and the prophet to curb their desires, conspicuous over-consumption has become a noticeable occurrence in all aspects of daily life, especially in the purchase of foodstuffs, apparel and leisure activities. During this month, the commercial and media landscapes are transformed and directed toward urging individuals towards worldly and profane experiences. Resisting this cultural pressure becomes difficult, household spending rises dramatically, and hedonic desires are felt more strongly than ever. This modern Ramadan paradox, described by some authors as Ramadan *Christmasization* (Armbrust, 2002; Attia, 2001), makes this period so unusual that it has become a key research area for better understanding the importance of ritual syncretism–the fusion of oppositions–in the context of consumer behavior (O'Guinn and Belk 1989).

## SETTING OF THE STUDY: TUNIS, TUNISIA

Tunisia is situated on the Mediterranean coast of North Africa; it borders Algeria, Libya and Egypt. Because of its strategic location at the nexus of Mediterranean and Levant shipping lanes, Tunisia's history and culture have been subjected to many diverse religious, political and economic cross-currents. Tunisia's written history began in 814 BCE with the founding of Carthage, a city-state with an international trading and military network stretching from the British Isles in the West to Crete and Greece in the East. Greek military and trade interests frequently competed with those of Carthage in the ancient world, leading to repeated wars through 309 BCE. With the rise of the Roman Republic (300 BCE), a series of Punic wars ensued, lasting until 117 CE with the conquest of Tunisia. Its population was sold into slavery by the conquering Romans (Esposito 1999).

Subsequently, the Romans resettled the country, rebuilding Carthage as a Roman colony and establishing several new municipalities. When Rome, itself, fell to the pagan Vandals, Tunisia fell, as well, and later was conquered by the Byzantines of Central Asia. With each new conquest, novel aspects of religious and material culture were introduced.

In 670 CE, a Muslim army entered Tunisia from the Arabian Peninsula, bringing Islam to North Africa and founding the city of Kairouan. By 797 CE, the Muslim Aghlabid Dynasty had emerged, ruling the eastern portion of North Africa from 800–909 CE. The dynasty was cosmopolitan and multi-cultural with positions of influence being held not only by Arabs, but also by Berbers, Persians, Black Africans, Christians and Jews. Trade routes included not only the Mediterranean, but also the Sahara and Sudan (Esposito 1999).

By the 900's, the Fatimid Dynasty in Egypt had expanded to include much of the territory of North Africa, including Tunisia. In 1057, yet another conquest occurred when the Benni Hilali Bedouins sacked Kairouan and took control of Tunisia. Over the course of the Holy Land Crusades (1100-1300) Tunisia again changed hands repeatedly between European Christians and the Almohad Muslims of Morocco. Concurrently, alternative forms of Islamic theology flourished with its borders; among these were the philosophies of the Maliki jurists, the cults of Sufi holy men, and the neo-Platonic philosophies of Averroes. By 1492, Tunisia had been flooded by refugee Moors and Sephardic Jews ousted from the Iberian Peninsula by the Christian Reconquista. And in 1574 the country was incorporated into the expanding Ottoman Turkish Empire (Lapidus 1996).

The Ottomans sent not only Anatolian Janissaries (soldiers) to reside in Tunisia, but also many former Christians from Italy, Spain and Province, France who had converted to Islam. By the 1860's, Ottoman influence had waned, but bankruptcy forced the country to turn its economic governance over to the French, Italians and the UK. In 1881, France invaded Tunisia and declared it a French protectorate. Europeans were encouraged to immigrate to Tunisia and set up residence there. After a series of violent revolts against French rule, Tunisia achieved independence in 1956. Since that time, it has passed through phases of westernization, socialism, Islamic fundamentalism and militant secularism. Thus, its ancient, medieval and modern historical periods have been marked by diverse religious, cultural and economic influences (Esposito 1999; Lapidus 1996).

In spite of the big number of research studies about religion, culture and consumer rituals, the literature about consumer behavior during the month of Ramadan is very poor. However, this phenomenon touches millions of people all around the world. From an external point of view, Ramadan can be considered as a period of de-consumption due to the fasting practice (Marticotte and Cherif, 2003). The reality is much more complex and rich than it may appear at first, since during this holy month there is a radical transformation of the way of consuming and living. Studying consumption practices during Ramadan can offer a new perspective to analyze the relationship existing between rituals and consumer behavior. This holy month is rich of meaningful consumption acts that can be studied not only from a pragmatic but also a symbolic point of view. Besides, consumer research can bring an original and new insight to understanding Ramadan rituals, because consumption is certainly the archetypal domain in which the fusion of tradition and modernity can be observed and analyzed. In this perspective, the present research study will try to bring an answer to the following two major questions: what are the main ritual practices that manifest themselves during the month of Ramadan? What is the place of cultural syncretism in these ritual practices?

## METHODOLOGY

The informants were contacted according to qualitative sampling rules–i.e., a small, non-probabilistic sample whose size was not specified *a priori* (Miles and Huberman, 1994). This exploratory research was carried out among 27 Tunisian adult consumers in a way that provides diversity within the sample at the level of gender, age, and social background criteria. A minimum of 20 years was set, and we made sure that the informants made most of the purchases undertaken by their households. However, the sample was geographically limited to the great Tunis area: thus differences between the rural and the urban environments could not be investigated in this study.

The interviews were extended over the whole Ramadan month of the year 2005 to take into account potential behavior differences between the beginning and the end of the month. Thirteen interviews were conducted before breaking the fast, Sawma, and fourteen after. The data saturation principle was abided by. The existence of a theme saturation was obtained when no significant added input emerged during four additional interviews.

During the interviews, the objective was the generation of comments and opinions about Ramadan and consumption behaviors related to this month. The discussion guide was designed around four major themes: consumption habits during Ramadan, money and expenses, the relationship with the media and purchasing behaviors. A conversational approach was adopted and, to make the respondents feel more comfortable, discourse breaks, hesitations, and redundant developments were not subject to any comment or criticism. Moreover, the interviewees were allowed the choice to relate their experiences in Arabic, in French, or in both languages. The interviews lasted between 45 minutes and one hour and a half. They were recorded with a digital recorder, and then transcribed for the purpose of making analysis easier.

To identify the main themes on the basis of the qualitative data, each interview transcription was read several times. For the production of this paper, quotations recorded in Arabic or French were translated into English. When the words or expressions had no English equivalent or when they had connotations or references to semantic areas that do not convey the appropriate meaning in English, the Arabic wording was maintained and a rough translation was inserted between brackets.

## FINDINGS

The impact of Ramadan ritual practices (Rook 1985) on daily behavior was emphasized by all the respondents; they perceived a dramatic shift of their lifestyle during the holy month as they adopted practices and behaviors in conformity with the ones of their families and their society. Among the interviewees, it is worth noticing that "I" is often substituted by "we" and the use of expressions like "the people" or "everybody" is very common. These expressions underline the emergence of a 'w concept' (Zouagui and Darpy, 2005) revealing the extent to which collective awareness is present in the attitudes and behavior of the respondents during the fasting month. The observance of Ramadan was also pointed out by the respondents either directly or by the use of words like "rite" or indirectly by statements noting its existence (Rook 1985):

*There is a kind of pattern by which everybody seeks to be shaped: everybody goes shopping at the same time, cooks the*

*same dishes: "shorba" (a Tunisian soup), "breek" (a very prized traditional dish during Ramadan) at the same fast-breaking-time; in the evening everybody watches the same soap opera, the same TV programs. People want to conform with everyone else. They are carried away by an overwhelming movement (male, 37, artist).*

Three major ritual themes were identified in the data set: the practice of fasting *per se*, social rituals involving the family and the social environment of Islamic observers, and consumption rituals that were specific to the month of Ramadan.

*Fasting as a religious ritual.* During the holy month of Ramadan, all individuals observing the fast are expected to refrain from drinking, eating, and smoking *"as long as you cannot make a white thread from a black one"*, i.e. from sunrise to sunset. At nighttime, however, we witness the allowance of the forbidden, and night acquires a hedonic dimension. This practice reiterates the separation of the sacred and the profane forbidden practices by juxtaposing sensory pleasure against ascetic religious beliefs. It was derived as early as pre-Islamic pagan times through the use of powerful symbols such as the sun and the moon and the separation of bodily pleasures from spiritual observance. This period makes the individual closer to God and religion, since it is suitable for faith renewal and self-examination.

*During this holy month, people listen to the Quran, the Holy Book and read it. The Lord is omnipresent in our life. This is noticeable in many aspects. First, people often remember God during this month. Moreover, more prayers are observed; the faithful go for the "Taraouih", (the Ramadan nightly prayers) performed as a congregation in the mosque. The elderly, holding a "Sibha" (a rosary) in their hands, praise Allah all day long (male, 46, civil servant).*

The fasting ritual is intended to achieve two goals: on the one hand, it aims at allowing the individual to maintain self-discipline and exercise self-control; on the other hand, it is to establish a fellowship with the poor who lead a wretched life, so as to make the person fasting feel the same misery. This kind of self-submerging ritual strengthens religious values and contributes to the development of the cultural and social identity of the individual.

*It is the month when we feel more to be Arabs and Moslems. We implement this commitment not only through fasting, but also through our daily behavior: our attitude, our dressing, our purchases, and the TV programs we watch. Maybe it is the period of the year when we are least influenced by the West (female, 34, faculty staff).*

This aspect of Ramadan then makes more visible the tension between West and East, between capitalism and communalism, between individual identity and group belonging. It also constitutes an echo to some previous findings in the literature according to which during traditional and religious holy days and celebrations, individuals are less open to other cultures and record lower levels of acculturation (d'Astous and Daghfous, 1991; Al Ma'seb, 2006).

*Fasting as a purification ritual.* Most of the respondents stated that they felt purer because of not only restricting food consumption, but also by not smoking tobacco, not drinking alcoholic beverages and not using cosmetics or perfumes. This seems to contain elements of self-mortification and self-denial; that is the punishment of the body, in addition to the avoidance of hedonic gratification. This conforms to the widespread idea that all aspects of the body are impure and that individuals need to restore to the body its original purity by removing indulgences and experiencing discomfort (Jacobsen, 1996). Fasting during Ramadan provides a unique opportunity to achieve this goal. That is why many respondents said that they go to the "Hammam" (the Turkish baths) during the days that precede Ramadan, as part of their cleansing regime. A fifty-three year old female interviewee declared:

*Prior to Ramadan, I do the overall housework; I dispose of the useless stuff we have accumulated during the year, I get ready for welcoming and managing this month (female, 53, housewive).*

This speaks of a desire to unburden not only oneself, but also one's household of polluting, materialistic accretions that have gathered during the year. Beyond this purely physical aspect, purification bears a moral and spiritual dimension. In fact, among the 27 interviewees, 19 expressed the idea that their behavior also ought to be geared to the path of honesty, generosity, and abiding by the rules of righteousness, and that by this behavior a greater proximity to God could be accomplished.

*Diurnal Disorder: Day for Night.* One's daily life is thoroughly overturned during Ramadan. The social operating system has to adjust to the new fasting time (that lasts from dawn to twilight). The working hours are therefore reduced to a half-day working period; many businesses close their shops, and major projects are postponed to later dates. At night, which is usually quiet, the cities become busy with a friendly environment which encourages the outings of women and families after breaking their fast.

In this diurnal disorder, beyond simply being the frontier between day and night, the communal moment of breaking the fast also plays the role of a liminal ritual as defined by Durkheim (1912). This moment brings people from one state to another, as it constitutes an invisible chronological threshold, separating the moment when individuals, stressed and tired are doing their duty and the moment when interdictions are revoked. This threshold separates austerities and festivities. Praying, eating dates, and drinking milk appear to be transitional ritual practices helping individuals to move from one stage to another.

There is a role reversal of public as well as private locations both for men and women (Buitelaar, 1993). The coffee shops, the restaurants, the shopping malls, and the supermarkets, which are usually patronized during daytime, are almost deserted for the benefit of home and family gatherings. But during the night, these places will be once again be a gathering place for crowds of people. These changes have repercussions not only on the daily life of individuals, but also on the public places and commercial activity.

*All life momentum changes; there are no more only two meals; the working time changes as well, since people work only half a day, and the sleeping time is utterly displaced. During this period, the citizens are stressed out, as they are short of time to go about their business. Besides, wherever you go, you are hamstrung by thick crowds: in the market, in the shopping malls, in the streets and transportation (female, 33, civil servant).*

**The social rituals**

The "Ramadanian period" seems to be an auspicious occasion for bolstering all kinds of social links. Gatherings between relatives and friends are characterized by talking around the table, a sense of humor, a deep feeling towards the community, and an aversion for

formal rules; a festive mood conveys all the fundamental attributes of the depth of the rituals.

*Family and friend evenings.* At nightfall, worshipping is taken over by reunions and family life sharing. People are expected to meet, show a sense of solidarity, and all family members, friends and relatives should be side by side in order to consolidate the relations that tie them. In the evening, sitting around a table and giving each other support and love becomes more important, as the days are so hard. All the respondents stressed the interpersonal relations which become tighter and gain an enhanced importance.

*Whether it be the family evenings or the card games played with friends until dawn, it is essential to get together in the evening. It is the magic aspect of Ramadan! Furthermore, it is the best way to forget the stress of a tough day: traffic, moody colleagues or shopkeepers owing to "hchichet romdhane" (a state of want and tiredness due to the fasting) (male, 44, stationer).*

The Ramadan gatherings can be occasions for reunions where vigorous chats are more common and the debates are hotter (Chouikha, 1995); similarly, they can bear a feast aspect, where sensory pleasures are heightened.

*It's a kind of feast celebration within the family, and it is always spontaneous and happy. Everybody is delighted by these reunions. We exchange hugs and kisses; we sing and dance. We feel really deep emotions. I feel very moved when I talk about it. It is also an occasion to recall the celebration of the weddings, the circumcisions, or the summer delights. Then we eat delicious cakes, drink the sweet pine-seed tea, and meet everybody (female, 30, secretary).*

Words like "magic", "marvelous", "extraordinary", "warmth", "table companionship", and "love" were associated with these family reunions. These associations remind one of the myth of "the sociability miracle emanating from the holy" identified by Durkheim; the interpersonal ties contribute to the creation of a state of spirituality which further bolsters solidarity. A sense of community and a concern for the welfare of the other emerges in such circumstances (Durkheim, 1912).

This testimony, and similar ones, also emphasizes the existence of a fasting/feasting paradox that materializes itself through the coexistence of practices pointing to very different purposes. On the one hand, fasting is a duty imposed to the whole Muslim community, aiming at disciplining the body through restraint, abstinence and self-control. It serves as "penitence, expiation for transgression, the humbling of the self" (Grimm, 1996). On the other hand, feasting is rather associated with celebration, joy, conspicuous wasting consuming wealth without any pragmatic aim in return, and sometimes transgression, disorder, excess, and cancellation of the authority and the virtue (Maisonneuve, 2002). The permanent alternation of opposites related to this fasting-feasting antinomy appears to be the core of this celebration of consumption, the abstinence making the indulgence richer and more anticipated.

It is also interesting to notice that even here there is an emergence of the recurrent theme of the reversal between public and private spaces. During the rest of the year, home is supposed to be a "center of intimacy", a place protecting its inhabitants from the impersonal outside, from others' gaze, and permitting them to lose their inhibitions (Madanipour, 2003). However, during Ramadan, the permanent stream of neighbors, family members, friends, colleagues, and acquaintances gives home a public function that it usually does not have.

*Oblative rituals.* During the whole month one witnesses an exaggerated generosity. For instance, the sense of hospitality, the concern for helping others seems to gain a greater importance. This generosity reaches its peak as the "Eid" (End-of-Ramadan feast) draws near. During this period, the gift rituals as defined by Solomon (2002) become numerous and assume several forms. The baking of traditional sweet cakes is a main concern of the households:

*We must serve cakes to all our guests for the three-day feast. Some families don't do it, but when we pay a visit to friends or relatives, we take a plate filled with a wide range of cakes (female, 40, civil servant).*

There is a sense here of sweet foods indicating love and affection; i.e. the sweetness of life and friendship. Those who are unable to bake these gift cakes will be willing to spend extravagantly to purchase the cakes commercially so as not to miss this tradition. This period is also an occasion for expressing best wishes to everybody; not only in a high voice pitched to people we come across, but also by sending greeting cards, whose sale rises sharply during this period or by phone which undergoes line congestion owing to the spreading contagion of this phenomenon and more strikingly in recent years by e-mail or cell phone text messages. It is interesting here to note how new, modern technologies such as the internet and cell phones have actually assisted the maintenance of these ancient sacred rituals. Often technology is cast as the enemy of religion and family, but here it is used to bring people together.

The Eid is also a time when children request gifts from their parents, who wish to indulge them as part of the fast-breaking process:

*Parents purchase the cutest clothes of the year for them and all their whims are satisfied. At first, we parents refuse their demands when they ask for candies or sugary items, but then the children insist so stubbornly, that we have to yield (male, 27, manager).*

It is worth noting that as this gift giving to children goes on, it features new aspects in keeping with new technologies, highlighting once again the syncretism of culture. The statement given by this 41-year-old respondent and father of 2 children well expresses this idea:

*As our parents bought toys for us, we perpetuate this tradition and we buy toys for our kids. But, it's no longer the same. When we were offered a small toy-gun, or a plastic watch, a spinner or even a ball, we felt very happy. The electric train or the building games were a dream-come-true. Nowadays, children are not satisfied with such stuff. What they demand are electronic games, play consoles, and play stations or computer games. They desire gadgets that carry them away to a virtual world with fictional heroes and weird characters. Even soccer, they'd rather play it in front of a TV screen than in the "Huma" (the quarter) as we used to do in our childhood. So, the "Eid" gifts aren't the same anymore. But what matters is to satisfy our kids, doesn't it? (male, 41, senior executive)*

Another aspect of the modernization trend undergone by this rite is the interest shown by parents in the toys (Eickelman 2000). The gifts, and more particularly the games and the toys, do not only belong to the world of children, but also involve the parents who become stakeholders in the choice and purchasing process, as before, but also in the use and consumption of these products (see

also Burroughs and Rindfleisch 2002; LaBarbera and Gurhan 1997)). This radical change of the availability of the types of games and toys on the market, thereby yielded an alteration in the rite which until then, was confined to the privileged children's realm and a progressive shift toward greater parents' involvement and a wider family integration. Many parents stated *"that the toys are also for mom and dad"*, and that the video games should meet their taste, as well as their children's. This represents a syncretic aspect of the hedonic/materialistic aspect of Ramadan. It seems a reversal of the value of self-denial and appears to copy from Western norms that one is supposed to indulge during holiday as for example the American celebration of Christmas and Thanksgiving (Wallendorf and Arnould 1991).

## Consumption rites

During Ramadan meal behavior rules and values acquire a tremendous importance. Housewives cook treats like: "breeks with eggs, varieties of salads and soups, grilled salad and tajine (a thick lamb-stuffed omelette) etc…" Everybody expects that these very demanding and sophisticated dishes will be featured on the menu. The ingredients must be carefully selected (e.g., bread has to be spiced, vegetables fresh, Arbi eggs (country eggs) and cakes with the best flavors"), cooking must start earlier in the day and the dinner-table must be pompously displayed. This resembles the Jewish ritual meal of Passover, during which a huge quantity of food has to be prepared, but must follow very exacting preparation procedures–e.g., to be strictly kashrut (see Hirschman 1983). (All the Ramadan food, of course, must be halal.)

*When I break fast, starting with dates and milk, these are not only the favorite items of the Prophet that I eat. I also recall the thousands or millions of people who follow suit at this very hour of the day, and each time I have the impression of living an extraordinary feeling (male, 67, retiree).*

Hence, this consumption act, seemingly simple, assumes a communal and a very symbolic status, where brotherhood and solidarity encompass the fundamental principles. This act thereby, shifts into a privileged position to stir a feeling of community. It is a matter of consuming items proper to this period and giving up the purchase of products that do not fit the pattern. This sacrifice enables the individuals to abide by the rite more earnestly. But beyond that, these practices are a way of connecting each individual with the larger Muslim community worldwide, a way of belonging to the *umma* and contributing to its unity (Buitelaar, 1993). This is an illustration of the roles of the communial affectivity of rituals pointed out by Durkheim. As a matter of fact, it constitutes the expression of interpersonal links, as well as the basis of collective symbolism, and a moment of time where individuals, abstractly, but tightly close, reaffirm their common feelings and beliefs (Durkheim, 1912).

Even though it is supposed to be the month of abstinence, food is omnipresent during the month of Ramadan. During daytime, the majority of conversations are directly or indirectly about food.

*It's the only talk for everybody: the meal content, the ingredients used, the shortage of some products, each others' favorites, the delicious smells of food when coming home after work, the frequented markets, and the special utensils required for this month. It's unbelievable, but I guess during Ramadan, the kitchen becomes the center of gravity for the house (male, 43, faculty staff).*

This focus on food reaches its peak during fast-breaking time. The dinner table–being supplied with the widest varieties of food–is a banquet for all.

*"Plates of all kinds are set on the table: breeks, chorba, tajine, chicken meat, salad and fruits" (female, 36, middle manager), "While we listen to the Quran and the call for sunset-prayer broadcast on TV, our wives fill the table with thousands of plates that do nothing but whet our appetite" (male, 23, bank clerk) "The food odors sharpen our appetite so all the more, because we didn't eat anything all day long" (male, 48, engineer), "The table is laden with all types of dishes and colors" (female, 23, student).*

These passages recall multisensory stimulation and abundance–very like the Christian Christmas celebration. The intensity of sensorial stimuli is echoed in the feeling of community and in spiritual commitment, while it simultaneously responds to hedonist, oblative, and auto-expression needs. It is also echoed in the excessive aspect featured by several acts during the month of Ramadan. This excess, at the emotional level, bears a possible positive or a negative aspect; but it is the way the individual experiences the ritual, which determines whether the outcome is positive or negative. Some people use the enhanced reality to create spiritual enhancement, a pleasant time for oneself and others; others misuse it and feel a sense of guilt, desire and frustration. Each consumer satisfies whims in his/her own way.

## The nightly outings

By night, one or two hours after "Iftar" (the fast breaking-time), people leave their homes. Some hurry to the coffee-shops and the entertainment areas, while others take a walk downtown for window-shopping. Within the Medina and the city center during the Ramadan nights, there is a great deal of street entertainment offered by singers and other local music bands who attract crowds of people.

This reversal of day and night is also accompanied by a reversal of public and private spaces. During the other months of the year, there are gender-based clusterings of people in public areas. The men gravitate toward the coffee shops and cafes, especially along the sidewalk, while the women and girls walk along the sidewalk, but do not sit and observe, as the men do. However, since in Ramadan purity is supposed to be everywhere, women go out by night and to enter the usually restricted places such as cafés and coffee shops. By doing so, they have access to the four sub-dimensions defined by Madanipour (2003)-spaces, activities, information, and resources-helping to get a total appropriation of these places.

*All the year around, and for having fun, we go to the quarter café or to the lake, or we go farther to the northern Tunis suburbs. But during Ramadan, it is different. If we don't go to the Medina (the old town), we feel as though we missed something. If we decide to have a drink, we'd rather sip tea with pine-seeds in a Turkish café of the Medina decorated in a "dar arbi" fashion (an Andalusian style-house), scented with the delightful smell of the Chicha (a Tunisian hookah). It is really extraordinary; for me, the delight of Ramadan is to revive the atmosphere of the old times (male, 25, software engineer).*

In this passage we see references to historic events central to Tunisia's identity as an Islamic country–the Medina is Arabic in origin and constitutes the original city "square" or market. The Turkish café recalls the resplendent era of the Ottoman Empire; while the references to the *dar arbi* of Andalusia recall the arrival of the Moors to Tunisia.

These were time periods of Muslim conquest and dominance in the region not only militarily, but also in crafts, science and literature (Esposito 1999; Lapidus 1996).

*Faking Habits.* Despite the overarching observance of religious tradition during this time period, it is also the case that many people do not fast in Ramadan. Beside those who declare themselves to be non-believers or to not have enough faith, there are others such as children, the elderly and the sick, as well as pregnant and nursing women who are excused from fasting. Despite the clear exceptions made by Islam for the people belonging to this excepted category, there still seems to be a sense of shame and guilt for not engaging in the fast. The interviews with non-fasting respondents were characterized by much hesitation and discourse gaps revealing the embarrassment they felt conceiving their failure to fulfill this religious duty.

Several statements similar to the following were recorded:

*I'm ill and I can't fast. Those who eat, drink or smoke blatantly are despised, so I have to refrain from eating in public. It's complicated, because it's a whole fuss when you want to have a sandwich or smoke a cigarette. You have to hide away in a remote spot and be sure not be noticed (female, 56, assistant manager).*

*When we have to feed the kids, care must be taken not to let the neighbors smell the odor of the food. The situation is worse, when we make the morning coffee whose fragrance spreads to the neighbors' house. So we shut all the windows and the kitchen door; who knows when someone might drop by (female, 32, seamstress).*

In this regard, during all this month we witness the avoidance of any appearance or clue that a person is not fasting and does not abide by the somber mood of this holy month. That is why cosmetics and perfumes are temporarily set aside, and ostentatious items are avoided. There are some strong parallels here to Christian celebrations of Easter and Jewish religious celebrations. Especially among Jews, it is very embarrassing and a loss of face to not fast on Yom Kippur or to eat appropriate foods at Passover. Similarly, those in the US who do not eat traditional Thanksgiving foods or gather with their families at this time are looked upon as acting inappropriately (Wallendorf and Arnould 1991).

## DISCUSSION AND CONCLUSIONS

In one study, Sandikci and Ger (2001), note that "Islam… does not seem to oppose consumption or offer an alternative to consumerism… Most [Muslims] actively engage in consumption, albeit in an Islamic way… Consumption patterns can be and are appropriated into religiously acceptable styles without undermining consumption, itself (p.7, online version)". To this we would add the following: "Religious patterns can be and are appropriated into consumption styles without undermining Islam, itself". That is, a core part of a given Muslim observance can be— and is— enacted through consumption. As we have shown with the celebrating of Ramadan in contemporary Tunisia, the *presence* of certain consumption acts, such as taking sweet cakes to friends, eating banquets around a communal table with family members, giving gifts to one's children and donations to the less prosperous are all vital elements to many observant Muslims while enacting the rituals of Ramadan.

Our exploratory inquiry into Ramadan has also detected the syncretic tension between what may be construed as opposing forces: the desires of the body and the yearnings of the spiritual soul, the objective of self-restriction and asceticism framed by the heightened seductiveness of self-indulgence and hedonic gratification.

In addition, we detected not only a sense of increasing closeness to God during Ramadan among many observant Tunisians, but also the heightened saliency of identifying oneself as an Arab and a Muslim (Barber 1995). As one respondent noted, "at this moment, all my fellow [Muslims] are offering up the same prayer…"— united by a commonality of *practice* as well as belief. Even among those who are non-observant, there is an effort not to disrupt the activities of those who are.

Finally, let us consider briefly the juxtaposition of Islamic tradition in Turkey, as examined by Ger and Sandikci (and colleagues), with the present case of Islamic observance in Tunisia. In our view, while both contexts illustrate a modernized version of Muslim practice, as opposed to say Saudi Arabia or Yemen, they also display some important differences. As compared to Turkey, Tunisia would seem to be more directly tied to specifically Arabic notions of Islamic observance, which, though cosmopolitan and worldly, also bears ties to a stricter, more fundamentalist, view of the Qur'an and its teachings, and to the collective consciousness of Middle Eastern and North African histories and dynasties (Esposito 1999; Lapidus 1996). As consumer research delves more deeply into the Islamic world, these differences, though now seemingly subtle, will likely become more apparent.

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# Place Attachment: The Social Dimensions of the Retail Environment and the Need for Further Exploration

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## ABSTRACT

The purpose of our study was to explore the social dimensions of the retail environment. While factors such as atmospherics, service and tenant variety contributed to our participants' perceived pleasurable shopping experiences, the social dimensions of shopping were important because they fulfilled consumers' social needs. Indeed, for some of our participants, the social connection, whether it was direct or indirect, was more or equally important to their perceived pleasurable shopping experiences, as it contributed to whether they perceived the shopping experience to be pleasurable or not. Based on our preliminary findings, we suggest that there is a need for place-related identity concepts in retail research.

## INTRODUCTION

In the past, being a shopper was often perceived to be synonymous with being a purchaser (Shields 1992b); but as Tauber's (1972) study revealed, people often have different motives for going shopping, from role-playing and self-gratification to seeking social experiences outside the home. The purpose of our study was to explore the social dimensions of the retail environment in order to investigate what factors contributed to consumers' pleasurable shopping experiences, and whether these factors directed consumers' retail patronage choices. Based on our preliminary findings, we suggest that there is a need for place-related identity concepts in retail research. As Clarke and Schmidt (1995) note, the way place has been defined in marketing literature, to date, has been very narrow in its focus. Retail literature has tended to focus on the physicality of the location, whereas, in disciplines such as geography and psychology, place is viewed in terms of its temporal, spatial, natural and social dimensions.

## BACKGROUND

In both marketing literature and sociology literature, the experiential aspects of consumption have been regularly investigated because researchers have long acknowledged that 'consumption does not occur in a vacuum, products are integrated threads in the fabric of social life' (Solomon 1983, p.319). As Woods (1981), cited in Holbrook et al. (1984, p.728) states: consumers 'engage in imaginative, emotional and appreciative consumption experiences'. As one of our participants below reinforces:

*Sally (28yrs documentary production researcher):* And that's part of the experience…in second-hand stores you'll have a different experience, and in another store you'll have another kind of experience, if you go to a book store then you've got the smell of the books. I've always really loved the smell of the books and you just pull them out from the shelves and sitting down on the floor, and being able to just flick through. So I guess you just don't go for one kind of experience when you go browsing you look for a whole lot.

These types of consumption experiences are concerned with feelings, fantasies, and fun, and are very much multisensory and emotive (Holbrook and Hirschman 1982). However, one could propose that the interaction one has with others in the retail environment, whether it is direct or indirect, also contributes to consumers' multisensory and emotive retail experiences. However, despite the fact that disciplines such as sociology, geography and environmental psychology view the retail environment as a haven for social activity (e.g. Relph 1976; Morris 1988/2001; Miller, Jackson et al. 1998), very few researchers within the area of marketing or retail have investigated the social nature of the retail environment in terms of how retail sites or servicescapes are consumed within a social context (e.g. Goodwin and Gremler 1994; Tombs and McColl-Kennedy 2003); how people identify with retail sites and other persons within these sites (e.g. Sirgy, Grewal et al. 2000); the influence that such identifications may have on directing retail patronage choice (e.g. McGrath and Otnes 1995); or the emotional ties one establishes with places (Borghini and Zaghi 2006). And yet, as some sociologists contend, the retail environment is primarily a social environment (Prus and Dawson 1991; Shields 1992; Miller, Jackson et al. 1998). The reasons why people become attached to different locations extend well beyond the location's physical characteristics, the types of products it sells and/or the level of service it provides. As Prus and Dawson (1991, p.149) discovered, 'the desirable or enjoyable features of shopping tend to revolve around the ways in which people *involve their selves* in shopping activity'.

This has important implications for the marketer because, as it has been suggested *conceptually*, consumers are forming social links with others through their consumption activities (Aubert-Gamet and Cova 1999; Cova, 1997). Accordingly, Cova (1997) and Aubert-Gamet and Cova (1999) suggest conceptually that the link between consumers is perhaps becoming more significant than the actual product. We propose that the environment also facilitates these social links. While products may link people to one another via symbolic consumption, locations can also link people. For example, friendships can be nurtured through retail sites (e.g. Joan and Mary might only meet each other at café X), and relationships may be maintained via the patronage of certain locations (e.g. mother and daughter ritually shop together at Mall X). The consequence of this is that, while some forms of consumption may decrease, others may increase because consumers will choose locations not only for their use value (e.g. location X sells product x, y and z) but for their 'link value'. Therefore, we propose that social interactions within the retail environment may influence how one perceives and identifies with the environment, as well as influence how these sites are experienced, and socially constructed. Whilst we acknowledge that there has been much research within sociology with respect to the social dimensions of shopping and the retail environment (e.g. Shields 1992; Falk and Campbell 1997; Miller 1998; Miller, Jackson et al. 1998), we argue that marketers should take ownership of the "shopping environment" and study it from a social dimensions perspective.

## METHOD

Our preliminary study employed an interpretivist methodological approach because we were interested in exploring the participants' lived experiences (Crotty 1999). Since this study was interested in how individuals construct meaning, qualitative meth-

ods were used. The advantage of using qualitative methods is that it enables one to focus on ordinary events that happen in 'real life settings' (Lincoln and Guba 1985).

Using the snowballing technique, whereby each interviewee is asked by the interviewer to recommend other potential participants for the study (Spreen 1997), purposive sampling took place. However, to avoid possible network bias, we used multiple starting points when contacting women (McMahon 1995). Twenty women ranging in age from 18 to 74 were recruited and interviewed individually. We recruited women because we wanted to eliminate any possible gender effects because the interviewer was also a woman. However, we acknowledge that it would also be interesting to investigate male consumers and their experiences within the retail environment at a later date. Interviews varied in length ranging from one to two hours, were unstructured in nature, and took place in participants' homes. Pleasurable shopping experiences were restricted to physical settings, such as shopping centres, malls and so on.

Following phenomenological principles, thematic analysis was used to analyze the verbatim texts. The advantage of using thematic analysis is that it not only involves systematically analyzing the text and looking for patterns within the text, it is also an iterative approach, whereby initial categorization may be changed and moved in relation to other texts (Dittmar and Drury 2000, p.119). Two independent judges were recruited to assist with the thematic analysis. Initially this was performed individually, but later all researchers discussed and resolved issues of disagreement. The goal of the analysis was not to seek a single truth; rather the goal was to ensure the plausibility of our interpretation and trustworthiness of the data (Wallendorf and Belk 1989).

## FINDINGS AND DISCUSSION

The initial findings revealed that a number of factors influenced participants' perceived pleasurable shopping experiences and patronage motives. However, due to the page limit constraints we will only focus on the social dimensions. We define "social dimensions" as those factors that link people to each other, to their community, to their society. Three main themes relating to the social dimensions of the retail environment emerged: The *Social Connection Factor*, *A Sense of Community*, and *Cultivating Commercial Friendships*; although we do acknowledge that there is some overlap. We define *social connections* as the social link one feels with others either *directly*, e.g., one interacts with people in the retail environment, or *indirectly*, e.g., one feels a social connection with others in the retail environment but may not feel the need to interact directly with others in this environment; *a sense of community* is the desire to feel a sense of belonging and connection with one's community; and lastly, *cultivating commercial friendships* can be defined as the desire to create good social experiences within the retail environment. However, due to the page constraints, we will not focus on *cultivating commercial friendships* as our findings support previous research (e.g. Gwinner, Gremler et al. 1998; Price and Arnould 1999).

### The social connection factor

*Lorna (74yrs retired book keeper):* When I used to mind the two little ones, *Glenfield* before it changed [the old mall before it was renovated], used to have Christmas school holiday entertainment. And if I was minding the children on those particular days I would take them up to watch it. And you know everybody there, people chat and you chat and all the kids would sit down on the floor and watch it and participate. It's really good.

One of the most revealing findings in this study was the social connection factor. Whilst Cova (1997) suggests conceptually that people purchase products in order to form links with others, we propose that the retail environment itself also facilitates these links. Some of our participants formed attachments with various retail sites because they perceived these locations to be conducive to social interaction. Both Lorna (above) and Mary (below) refer to their favorite places when discussing why they regularly patronize these locations. In both cases, it was the contact they had with others, as well as the location that made the experience enjoyable.

*Mary (40yrs retail assistant):* We go out for fun. When there's the two of us, we go out for fun. Most of it is done through the different op shops [regular second-hand shops] on *The Shore* when we go out. And we have fun. And it's just because of the person you're with. It causes or adds to the fun, not what you're doing, it's the person you're with that causes the fun.

Shields' (1992b) argument that the market-place is an important space because it encourages social connection and provides a sense of belonging certainly resonated with some of our participants. This was particularly relevant to Kerry, a recent British immigrant, who had few friends in NZ. Kerry frequently visits "the mall" in her local area whenever she feels the need to experience a social connection.

*Kerry (33yrs postgraduate psychology student):* Certainly from going to the shopping mall I'd say because yeah, I'm very much going out to meet people. Or not to meet people, just to be around people. I mean it's almost like you feel a connection in that you know that people are there for the same kind of reasons that you're there for. I mean it's a very loose connection but you know, it's a connection of sorts...

Indeed, for many of the participants, it was the social contact with others, which contributed to their pleasurable experiences when visiting their favorite retail sites, whether it was indirectly as Sue's comments below suggest, or directly as in Lorna's case (see below).

*Sue (52yrs secretary):* Oh yeah I like the social contact, all the people the buzzy people…I think it's nice just seeing other people and seeing what they're wearing and, seeing all the little human dramas that are going on.

*Lorna:* Well every week I just wander in a have a look at a lot of these shops you know…I will chat to different ones [people] too. You know, I can give a smile on the way up the escalator and you know quite often if a couple of people are looking at something, you might sort of discuss it with them, although you don't know them from Adam.
*Interviewer:* Does that sort of make it nicer?
*Lorna:* Well I enjoy that, that's why it doesn't worry me shopping on my own. They might think "oh funny old girl" but it doesn't worry me.

Aubert-Gamet and Cova (1999) speak of current retail environments as being nonplaces, places in which people wander about invisible to others, i.e., invisible to other shoppers, invisible to sales staff. But the results from this study suggest otherwise. Participants from this study did interact within the shopping environment, whether it was directly or indirectly. And just like the findings in McGrath and Otnes' (1995) study, strangers in the shopping envi-

ronment were often quite happy to interact with other shoppers, for a variety of reasons. One reason being, to feel a sense of connection.

*Sue:* Well that's another thing. I think people maybe do go to the mall because they don't know their neighbors now, because we've lost that sense of community so at least going to the mall is your NEIGHBORHOOD. In a sense isn't it, I mean that's your neighborhood, you get to know it, the same as you would have years ago when you went to the local grocer and the local butcher and the local dairy and the little post office, you know those places don't exist anymore, so the mall is perhaps your, you know, community, it's your community neighborhood perhaps….

For some of our participants the social connection factor was often the main reason for going shopping, hence supporting sociology and environmental psychology research that suggests that people become attached to locations for the social connection (e.g. Low and Altman 1992).

*Kerry:* And just sometimes I won't have any particular desire to buy anything but I will go to the shopping mall [refers to a specific mall] just to be around people.

As Manzo (2003) states, one's relationship to places can be a conscious process as well as an unconscious one.

Because regularity and routine are part of our way of being-in-the-world, indeed we are not always conscious of our feeling for place (Hester 1993). Moreover, places that provide comfort and security tend to be places with which we are familiar, so we may be attached to them on an unconscious level (Manzo 2003, p.53).

Meaning may also be attributed to one's sense of place. People often acquire a sense of belonging and purpose via personal attachments with a physical location (e.g. Relph 1976), which in turn may give meaning to their lives. It is one's sense of place or rootedness that gives one a sense of belonging. If we move from retail and services literature to related areas in geography, psychology and sociology, we find recognition that the identity of place is not only restricted to its physical characteristics (e.g. Proshansky et al. 1983; Shields 1992; Miller et al. 1998), it is also related to the social constructions of place–those perceptions formed by individuals and groups (Lalli 1992). As Lalli (1992) states, it is a person's relationship with place and how they identify with place, not the identity of the place itself, that gives meaning to place.

**Sense of community**

Supporting the community or creating a "sense of community" was another reoccurring theme that emerged from our findings. In particular, locally owned shops were perceived by some of our participants as being representative of a community's spirit, unlike globally owned stores. And strip centres (shops that line a street) were perceived by some of our participants as being more in tune with community values when compared with malls because they believed strip centres were better at representing a local community's essence (e.g. uniqueness, hardworking values, local people, local businesses contributing to the community). This theme was probably best summed up by Toni, a 26-year-old television researcher:

*Toni:* …I feel best when I buy things from people that I like…compared to say the mall [versus strip centre], there's a

sense in both of those cases of people really putting their heart and soul into something. And I think that's the difference between going and buying at *Esprit* or somewhere compared to a second-hand shop that someone owns or even a designer shop that someone owns. You know they've actually really put some effort into it and it's not like it's just coming from the Swedish head office.

This is an interesting finding because we are dealing with perceptions rather than fact. In reality, the locally owned store may operate just like the globally owned store. And yet, one can relate Toni's comments back to self-esteem motives. People will often seek experiences that will contribute to his or her self-concept (Sirgy 1982; Markus and Kunda 1986). Toni's attitude may also tie in with the consumer resistance trend among small interest groups, or socially conscious consumers (Follows and Jobber 2000), as these sentiments are echoed by several of the participants in this study.

*Sally:* I do quite often consciously buy in smaller shops. Individually rather than brand big named shops because I'd rather support buying in a smaller community rather than something you know, big.... and *Borders* is the kind of contention mark for me. It's such a great shop but at the same time it is ultimately the American multinational.

One could therefore suggest that a pleasurable shopping experience, as well as one's level of attachment to a location, may also be influenced by an organization's identity. As Bhattacharya and Sen (2003) maintain, consumers' identification with certain companies often helps to satisfy one or more important self-definitional needs. If a person believes that his or her self-concept is incongruent with the store's image, he or she may experience uneasiness. If the organization's identity and values are not congruent with a consumer's values, the consumer may choose to shop elsewhere. Interestingly, some of the participants were often conflicted, as highlighted by Sally's comments above, and Tracy's comments below. The implication for retailers, therefore, should be to try and alleviate this tension. It would appear that some of our participants are searching for stores with which to identify with–such stores appear to be smaller and reflect the community to which they see themselves belonging to, and strongly identify with.

*Tracy (21yrs university student):* But I like the idea of department stores in the old fashioned way. But then I hate chain stores with a vengeance. Because I think, even though I buy at a lot of them, I just don't agree with the politics of them, I think they're pushing out nice boutique stores and you know, I hate to say it, but the mom and pop stores.

We would therefore suggest that the store's identity and/or retail location's identity is important to one's sense of community and even one's sense of belonging. The challenge for new shopping areas or areas that are undergoing change is to create or maintain a sense of community that reflects the values of the community in which the retail environment is situated.

A pervasive theme in Rowles' (1983) study was 'insideness'. She investigated place attachment in terms of its physical, social and autobiographical dimensions. 'Insideness' consists of three components–'physical insideness', familiarity of the physical environment; 'social insideness', integration with the community; 'autobiographical insideness', historical dimensions/ remembered

places–this relates to a sense of self (Rowles 1983). As Rowles (1983, p.308) states, 'imbuing places with meaning as [an] expression of one's identity serves several purposes'-it creates a sense of belonging, provides a sense of continuity between the present and future, and it plays a role in the adaptation of personal identity. 'To abandon these places either physically or, more importantly, cognitively, is to give up identity' (Rowles 1983, p.308). Twigger-Ross and Uzzell (1996, p.206) go on to note that one's attachment with a place may help to support and develop aspects of an individual's and/or group's identity. Consequently, changes within the servicescape, for some people, may represent a sense of loss and hence a loss of identity.

*Betty (70yrs retired shop keeper):* Oh yes. I mean when you're travelling, you know how you stop off at little towns. Each little town has got the old fashioned drapery store and things like that. That's FABULOUS to go in and look around. It's amazing what they've got that these shops haven't got…Well I don't know whether it's, I shouldn't say they're back waters because they're thriving places some of them, but yeah, it would be the culture of the town. It's a feeling of, a little humming little business centre. And it's not all offices in the streets. And you know it's a SHOPPING centre, it's not a BUSINESS centre.
*Interviewer:* Whereas…
*Betty:* Takapuna I think is more of a business centre now, isn't it. You know, there's banks and cafes, eating places. You can name on your hands how many shops that you could spend all day going in and looking at. I mean Birkenhead is more fun to go through, going up and down that street, looking at all their shops, than it is to go to Takapuna. It's different.

And yet, it is often during times of change that our feelings about places become conscious (Brown and Perkins 1992). As research shows, when there is a disruption to our daily lives, such as a burglary, relocation or disaster, it is accompanied by an increased awareness of our environment (Manzo 2003, p.53). This too could apply to the retail environment–for example, when a retail location's identity undergoes change due to physical or social transformations, one may become more aware of their local retail environment. For some people, they might experience a sense of loss whereas for others they might welcome a change. Overall, retail developers need to understand the relationship people have with place. Interestingly, Betty (see above) makes a distinction between shopping centres and business centres. Perhaps this is one of the reasons why some Central Business Districts (CBD) lack a positive shopping atmosphere; they are viewed as business hubs rather than community hubs, and individuals or groups can no longer identify with these locations.

## DISCUSSION

Based on the findings from this study, we maintain that the social dimensions within the retail environment may influence one's perceived pleasurable shopping experiences and consequently retail patronage behavior. Understanding the social dimensions of the retail environment and the shopping experience should not be undervalued because understanding our retail environment from the consumer's perspective can lead to better management of the environment. Secondly, few studies in marketing and retail literature have investigated the social and communal aspects of the retail environment and the influence this may have on retail patronage. It is becoming increasingly important to view these sites as 'community spaces' (White and Sutton 2001) because people play a role in

shaping the identity of place, just as they do in shaping self-identity. While factors such as atmospherics, service and tenant variety contributed to our participants' perceived pleasurable shopping experiences, the social dimensions of shopping were also important as they fulfilled consumers' social needs. Indeed, for some of our participants, the social connection, whether it was direct or indirect, was more or equally important to their perceived pleasurable shopping experiences, as it contributed to whether they perceived the shopping experience to be pleasurable or not. This may consequently influence consumers' retail patronage behavior. Therefore, the question marketers and retailers need to ask themselves is, how well are we accommodating these social needs?

## FUTURE RESEARCH

This exploratory research suggests a number of propositions to guide future research.

*Proposition 1. Current marketing theories have limited ability to expand our understanding of how people consume space and assign meaning to space.*

Accordingly, we suggest future research should draw upon theories outside the discipline of marketing, such as place-related identity (e.g. Proshansky et al. 1983), to better understand how people consume space and assign meanings to place; a sentiment also expressed by Borghini and Zaghi (2006). *Place* defines who we are and helps to answer the "Who am I" question and yet we as humans also define *place*. Consequently, one should view place not just as a point of geographical interest but also as something that may reveal essential information about the human ways of being-in-the-world (Stefanovic 1998, p.33). By understanding place in terms of its cultural identity and the rituals that eventuate in places, Clarke and Schmidt (1995) suggest that service organizations can enhance the overall environmental encounter.

Place-related identity is a term that is used within environmental psychology to explore the relationships between people and place (Lalli 1992). We suggest that the exploration of place attachment, a concept more commonly used in geography and environmental psychology, may further enrich marketing's understanding of retail patronage. And yet, place attachment is particularly relevant to retail research because the retail environment is primarily a social environment (Prus and Dawson 1991; Shields 1992; Miller, Jackson et al. 1998). Hence, the following proposition:

*Proposition 2. The reasons why consumers become attached to retail locations extend beyond the locations' physical characteristics, the service component, and/or the types of products they sell.*

Consequently, an exploration of place attachment is particularly relevant to retail research. Place attachment is the concept of people being bonded to places (e.g. Low and Altman 1992; Eisenhauer, Krannich et al. 2000). It involves an interchange between emotions (affect and feelings), cognition (thought, knowledge, and belief) and practice (action, behavior) (Low and Altman 1992; Vorkinn and Riese 2001). However, an attachment to a place does not have to be individually specific; groups and communities can collectively share attachments to places (Low and Altman 1992; Vorkinn and Riese 2001). At the same time, the degree to which one forms an attachment, i.e., the level of intensity can also vary (Rubinstein and Parmalee 1992).

When exploring retail literature, one can also make comparisons with recreation research. Within outdoor recreation research

there was a tendency to identify a setting's features when exploring visitors' motivations (Williams, Patterson et al. 1992). In other words, the commodity view of recreation places dominated recreation research (Williams *et al.* 1992). Like recreation research, much of the focus in retail literature has been on the physical characteristics of the location, in addition to the service component–but as Williams *et al.*'s (1992, p.42) study found, emotional attachments to a recreation place could not easily be captured by multiattribute concepts, i.e., the setting's attributes. We maintain that this also holds true for the retail environment, and suggest future research may care to examine the following proposition:

*Proposition 3. Emotional attachments to retail environment cannot be explained only in terms of the setting's attributes, rather there is likely to be an interchange between emotions (affect and feelings), cognition (thought, belief and knowledge), and practice (action, behavior).*

One's attachment to a retail location can also serve a number of functions for individuals, groups, and cultures (e.g. Low and Altman 1992; Eisenhauer, Krannich et al. 2000). On the one hand, place attachment provides one with a sense of security, familiarity, and continuity between the present and the past, as well as a sense of control and relaxation in one's everyday life. On the other hand, place attachment links people with others, links friends, families, subcultures and so forth (Low and Altman 1992, p.10), hence creating a sense of belonging (Rowles 1983). As Low and Altman (1992, p.10) state, 'place attachment may contribute to the formation, maintenance, and preservation of the identity of a person, group, or culture'. And yet, place is also moulded by the very people who occupy it. Hence the following proposition is posed for future consideration:

*Proposition 4. Place is co-created by the consumers' interaction with the retail environment.*

Findings from the study also highlighted other areas for potential research. It would appear that some consumers are searching for stores with which to identify with. If he or she believes that his or her self-concept is incongruent with a store's image, he or she may experience uneasiness and hence shop elsewhere to alleviate this conflict. Some of the participants were conflicted about shopping in certain locations/stores due to their sense of social responsibility. Consequently, retail managers ought to carefully consider tenant variety in both malls and strip centres. But, perhaps more importantly, retailers of multinational stores ought to consider incorporating strategies into their management practices to alleviate consumer tension and/or resistance, which may necessitate them to become more community focussed at a local level. Hence, proposition five:

*Proposition 5. Consumers prefer to patron stores with which they identify, therefore considering the consumer and the dominant culture is essential for retailers.*

Secondly, since community (or the perception of community) appears to be an important component for some of our participants, we suggest that retailers should attempt to create unique identities (and capture the community's spirit) when developing new retail sites, particularly if it is a franchise chain (i.e. malls). It appears that heterogeneous environments are preferable over homogeneous ones. Not only will this encourage people to identify with their local shopping centres, it may also encourage people to visit neighbouring franchise malls.

Lastly, it would be worthwhile to explore the retail environment from both from a male perspective and a female perspective to see how similar or dissimilar their shopping experiences are. How important is the social dimension for males–an environment that has generally been perceived as a gendered one (e.g. Jansen-Verbeke 1987; Shields 1992; Woodruffe 1997; Miller, Jackson et al. 1998). We suggest the following:

*Proposition 6. Place attachment in a retail environment is more likely to be of importance to females than it is to males.*

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# The Mediating Role of Consumer Conformity in E-compulsive Buying

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## ABSTRACT

Both the convenience of online shopping and the lack of normative standards on the Internet can cause online compulsive buying. Considering the negative consequences of online compulsive buying, Internet tools for reminding consumers of social norms are needed to reduce online compulsive buying. Virtual communities can affect consumer buying behavior because they also can be social groups. Accordingly, the objective of this study is to explore the relationship between conformity in virtual communities and online compulsive buying tendencies. This study also attempts to examine the influence of two external variables, member expertise and the sense of belongingness on conformity.

## INTRODUCTION

As the Internet has developed, more consumers have been enjoying online shopping. While the Internet serves as a convenient way to shop, the convenience of the Internet also causes some negative effects on consumers. For example, consumers might experience unregulated consumption behavior when they shop online. One of the uncontrolled consumption behaviors on the Internet is compulsive buying. Compulsive buying can be defined as chronic, repetitive, and excessive buying as a result of negative events or feelings (O'Guinn and Faber 1989). Compulsive buying might cause consumers to suffer from economic and/or psychological problems. For example, compulsive buyers are inclined to spend more money than they have, and this excessive spending can destroy their own and their families' lives (D'Astous 1990; Faber and O'Guinn 1992). In addition, although consumers have short-term positive feelings after compulsive buying, they experience significantly negative feelings in the long run (Faber and O'Guinn 1989; O'Guinn and Faber 1989). Accordingly, compulsive buyers often return the purchased products (LaRose 2001). Moreover, they might communicate negative feelings about their shopping experience after compulsive buying. Therefore, compulsive buyers are not likely to be welcome customers for retailers in the long run. Thus, it is important to prevent consumers' compulsive buying for retailers as well as for consumers themselves.

Consumers can enjoy shopping via the Internet with relatively low social interaction. This lack of interaction and social environment can also affect consumers' online compulsive buying. Previous studies in social psychology found that important others such as peer groups and friends may often have significant influence and give information in the attention-directing stage of the buying process (Venkatesan 1966). For example, when we go shopping with friends, we often ask their opinions about what we want to buy. When hearing positive opinions, we are more likely to buy the products. On the other hand, if we hear negative information about the products, we are reluctant to purchase them. Furthermore, based on previous studies in consumer behavior, it is clear that social norms have an effect on compulsive buying (Lee, Lennon, and Rudd 2000; Schlosser et al. 1994). Accordingly, it is not surprising that compulsive buyers don't want to be alarmed by others, which would cause the compulsive buyers to become aware of their compulsiveness and would prevent them from buying unnecessary products. For this reason, the Internet might be a preferable place for compulsive buyers to purchase what they want without being interrupted by normative standards for buying (LaRose 2001).

Considering both the negative outcomes of online compulsive buying for both retailers and consumers and the lack of reminders of normative standards for buying on the Internet, tools for reminding consumers of social norms on the Internet are needed to reduce online compulsive buying. Then, what could play the role of important others like friends and families when consumers shop online? Where is the place for consumers to interact with others on the Internet? The virtual community is a place to meet others and share their opinions on the Internet through networking. Thus, this study examines the role of virtual communities in online compulsive buying: whether virtual communities discourage online compulsive buying or not. For this objective, the study explores the relationship between conformity in virtual communities and online compulsive buying tendencies. This study also attempts to examine the influence of two external variables, the sense of belongingness and member expertise on conformity.

## LITERATURE REVIEW

### Online Compulsive Buying

In general, compulsion refers to "repetitive and seemingly purposeful behaviors that are performed according to certain rules or in a stereotyped fashion" (American Psychiatric Association 1985). On the other hand, compulsive buying includes the meaning of excessive buying or out-of-control buying (Faber, O'Guinn, and Krych 1987). Compulsive buying also can be defined as "chronic, repetitive purchasing that becomes a primary response to negative events or feelings" according to previous studies (O'Guinn and Faber 1989).

Compulsive buying does not simply result from one simple factor. In fact, many researchers have tried to examine factors which result in compulsive buying, and they agree that it may result from multiple factors (Faber 1992). Among others, Faber and Christenson (1996) suggested biochemical, social, and psychological factors.

One major gap in the research is a lack of empirical studies dedicated to measuring and exploring the topic of online compulsive buying. However, the unique characteristics of online shopping like high accessibility, much inventory, and attractive online displays have been thought to increase online compulsive buying (Eastin 2002). Moreover, many compulsive buyers want to avoid being reminded of normative standards, by important others (LaRose 2001). Accordingly, they tend to shop alone, at night, or through home shopping channels (Lee et al. 2000; Schlosser et al. 1994). Therefore, online shopping can be the best way for compulsive buyers to shop in isolated shopping environments.

### Virtual Community and Conformity

Rheingold (1994, 57–58) defined a virtual community as "social aggregations that emerge from the Net when enough people carry on those public discussions long enough, with sufficient human feelings, to form webs of personal relationships in cyberspace. A virtual community is a group of people who may or may not meet one another face to face, and who exchange words and ideas through the mediation of computer bulletin boards and networks." Similarly, Romm, Pliskin, and Clarke (1997) defined a virtual community as a group of people who communicate with one

another via electronic media and share common interests unconstrained by their geographical location, physical interaction or ethnic origin. More recently, Ridings, Gefen, and Arinze (2002) defined a virtual community as a group of people with common interests and practices that communicate regularly for some duration in an organized way over the Internet through a common location or mechanism. Based on these definitions, it is assumed that a virtual community is a source of social influence on the Internet. Since people do live with others, their behavior influences others. This social influence has been identified as conformity. While Allen (1965) defined conformity as one manifestation of social influence due to the opposition of the other group members to an individual's views, Burnkrant and Cousineau (1975) defined conformity as the tendency of opinions to establish a group norm as well as the tendency of individuals to comply with the group norm.

While normative conformity has been more emphasized, the dichotomy of conformity has been represented by a dual process dependency model of social influence (Pendry and Carrick 2001). Deutsch and Gerard (1955) asserted that conformity consists of two categories, informative and normative conformity motivations. They define informational conformity as the influence to accept information from others to evince the truth of reality. On the other hand, they refer to normative conformity as the influence to conform to the expectations of others.

Consumers consider that the information from a group is credible when the group has expertise (Kelman 1961). According to previous studies, consumers might internalize and manifest information from others when they can believe others' expertise (Kelman 1961; McGuire 1969).

*H1*: Member expertise has a positive relationship with informative conformity.
*H2*: Member expertise has a positive relationship with normative conformity.

Furthermore, it is believed that the role of group belongingness in conformity is more important than classical explanations had assumed (Pendry and Carrick 2001). Luo (2005) found that the influence of peers or family is greater when the group is more cohesive.

*H3*: Sense of belongingness has a positive relationship with informative conformity.
*H4*: Sense of belongingness has a positive relationship with normative conformity.

Informative conformity affects consumers' buying behavior. Consumers search for information when they buy products or services. While word-of-mouth has been considered a major factor in consumers' buying decisions (Richins and Root-Shaffer 1988), the rapid development of the Internet has extended the place of word-of-mouth from offline to online. Considering that consumers cannot see and touch the real product on the Internet, information from others who have already experienced that product might be critical for consumers.

Normative conformity also plays an important role in consumers' buying behavior. Consumers sometimes feel responsibility to respond to concerns of what others thought or how others reacted to their product choice and usage (Calder and Burnkrant 1977). Consumers even observe others' purchasing behavior in order to check whether their own purchase is acceptable in society (Bearden, Netemeyer, and Teel 1989). According to Luo's experimental

study (2005), while the presence of peers increases impulsive purchasing, the presence of family members decreases it.

*H5*: Informative conformity has a negative relationship with e-compulsive buying.
*H6*: Normative conformity has a negative relationship with e-compulsive buying.

## METHODOLOGY

To accomplish the research objective, an online survey was conducted to collect data. Two thousand e-mail invitations were distributed to a randomly selected national sample purchased from an independent research company. A total of 302 respondents participated, representing a 15.1 % response rate. Furthermore, the panel members were limited to those who engage in at least one virtual community, and the usable sample was 179 after the screening process. Sample Characteristics are presented in table 1.

The measures in this study were adopted from previous studies. The questionnaire consists of these tendencies: member expertise, a sense of belongingness, online consumer conformity, and online compulsive buying. Member expertise was developed based on a fifteen-item scale which was initially a consumer expertise measure (Kleiser and Mantel 1994). A sense of belongingness was measured using a three-item scale (Kember and Leung 2004). After purification, only 10 items were used. Online consumer conformity was measured using a twelve-item scale (Bearden et al. 1989). We developed an online compulsive buying measure based on a compulsive buying measure in the previous study (Faber and O'Guinn 1992). Before conducting structural equation modeling, a confirmatory factor analysis was used to verify the measurements. In addition, all of the final multiple scales in this study demonstrate high reliability (table 2).

## RESULTS

The proposed conceptual model (figure 1) was tested by using structural equation modeling. The fit of the overall measurement model was estimated by various indices. The results indicate an excellent fit of data for our conceptual model (table 3).

The path coefficients are presented in table 4. According to the results, member expertise has a positive impact on both informative and normative conformity and supports hypotheses 1 and 2. About the strength of the relationship, member expertise has a stronger influence on informative conformity than on normative conformity. Sense of belongingness also has positive influences on both informative and normative conformity. Therefore, hypotheses 3 and 4 are supported as well. However, the strength of the relationship between sense of belongingness and conformity shows a different pattern from the relationship between member expertise and conformity. Sense of belongingness has more influence on normative conformity than on informative conformity. In sum, both member expertise and sense of belongingness have positive influences on both informative and normative conformity. In contrast, while member expertise has more influence on informative conformity, sense of belongingness has more influence on normative conformity. The hypothesized relationship between informative conformity and online compulsive buying tendencies was not significant. Thus, hypothesis 5 was not supported. Finally, the relationship between normative conformity and online compulsive buying tendencies is supported by the results of this study. Concerning the direction of the relationship, the negative relationship is also confirmed between normative conformity and online compulsive buying tendencies. It means people more likely to have normative

**FIGURE 1**
Conceptual Model
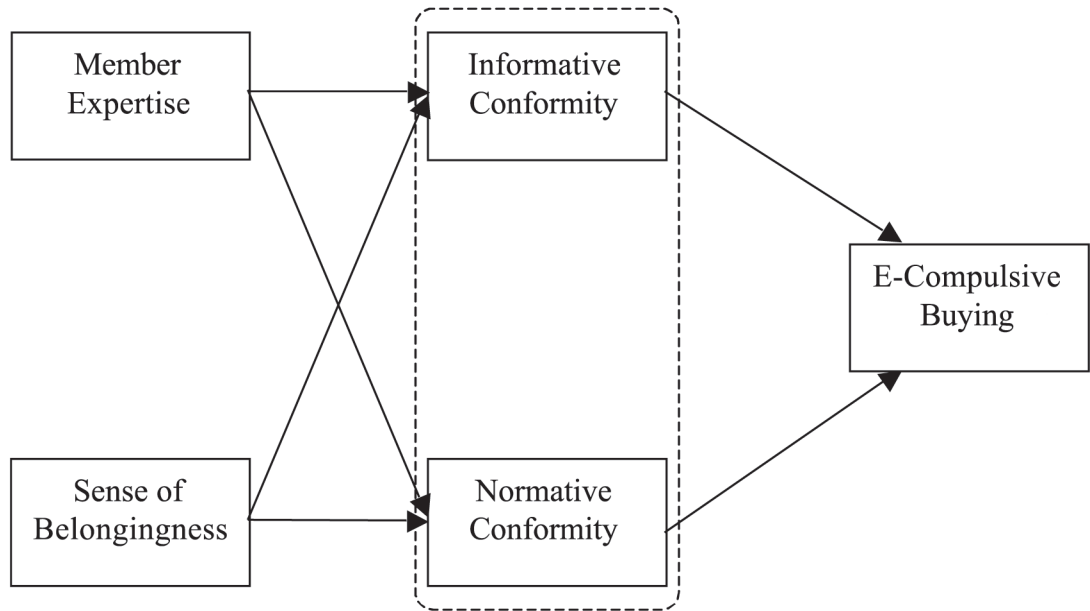


**TABLE 1**
Demographic Characteristics of Respondents (n=179)

|  |  | Frequency | % |
|---|---|---|---|
| Gender | Male | 70 | 39.1 % |
|  | Female | 109 | 60.9 % |
| Age | 18-24 years | 13 | 7.3 % |
|  | 25-39 years | 70 | 39.1 % |
|  | 40-59 years | 78 | 43.6 % |
|  | 60 years or older | 18 | 10.1 % |
| Income | Less than $10,000 | 4 | 2.2 % |
|  | $10,000-$24,999 | 5 | 2.8 % |
|  | $25,000-$39,999 | 22 | 12.3 % |
|  | $40,000-$59,999 | 40 | 22.3 % |
|  | $60,000-$100,000 | 53 | 29.6 % |
|  | More than $100,000 | 55 | 30.7 % |
| Ethnicity | Caucasian | 154 | 86.0 % |
|  | Asian | 10 | 5.6 % |
|  | African American | 3 | 1.7 % |
|  | Hispanic | 3 | 1.7 % |
|  | Other | 9 | 5.0 % |

conformity with members in a virtual community are less likely to be online compulsive buyers.

**DISCUSSION**

While compulsive buyers should consider social norms when they purchase something offline, online shopping gives more isolated shopping environments to consumers. Thus, the purpose of this study was to examine the role of virtual communities on online compulsive buying tendencies. This study examined the relationship between normative and informative conformity in virtual communities and online compulsive buying tendencies. It also confirmed the influence of two external variables, member expertise and the sense of belongingness on conformity in virtual communities.

The positive relationship between member expertise and conformity in virtual communities means that consumers have higher

**TABLE 2**
Summary of Measurement Scales

| Construct | Measures | α |
|---|---|---|
| Member Expertise | The virtual community members enjoy learning about the product/service I sought advice about. | .944 |
| | The members of the virtual community are knowledgeable about the product/service. | |
| | The members of the virtual community are familiar with almost all existing brands of the product/service. | |
| | The virtual community members search for the latest information on this product/service before purchasing. | |
| | The virtual community members' knowledge of this product/service helps them to understand very technical information about it. | |
| | The virtual community members can recognize almost all brand names of this product/service. | |
| | The members of the virtual community keep current on the most recent developments of this product/service. | |
| | Virtual community members use their knowledge of this product/service to verify that advertising claims are in fact true. | |
| | Virtual community members can recall product-specific attributes of this product/service. | |
| | Virtual community members can recall brand-specific attributes of the various brands of this product/service. | |
| Sense of Belongingness | I feel a sense of belonging to my virtual community. | .831 |
| | I am able to relate to the virtual community. | |
| | I feel that I have established a relationship with the virtual community. | |
| Online Consumer Conformity | I often consult others in the virtual community to help choose the best alternative available. | .900 |
| | If I want to be like someone in the virtual community, I often try to buy the same brands that they buy. | |
| | It is important that others in the virtual community like the products and brands I buy. | |
| | To make sure I buy the right product or brand, I often observe what others in the virtual community are buying and using. | |
| | I rarely purchase the latest fashion styles until I am sure the virtual community approves of them. | |
| | I often identify with others in the virtual community by purchasing the same brands they purchase. | |
| | If I have little experience with a product/service, I often ask the virtual community about it. | |
| | When buying products/services, I generally purchase those brands that I think the virtual community would approve of. | |
| | I like to know what brands and products make good impressions on the virtual community. | |
| | I frequently gather information from the virtual community about a product/service before I buy. | |
| | If other people can see me using a product/service, I often purchase the brand the virtual community expects me to buy. | |
| | I achieve a sense of belonging by purchasing the same products and brands that the virtual community purchases. | |
| Online Compulsive Buying | I felt others would be horrified if they knew my online spending habits. | .854 |
| | I bought things online even though I couldn't afford them. | |
| | I bought something online when I knew I didn't have enough money in the bank to cover it. | |
| | I bought something online in order to make myself feel better. | |
| | I felt anxious or nervous on days I didn't shop online. | |
| | I made only the minimum payments on my credit cards. | |
| | If I have any money left at the end of the pay period, I just have to spend it online. | |

**TABLE 3**
Fit Analysis

| Fit Measures | Fit Guidelines | Proposed Model |
|---|---|---|
| $\chi^2/df$ | ≤3.0 | 1.596 |
| GFI | ≥.90 | .896 |
| AGFI | ≥.80 | .861 |
| TLI | ≥.90 | .944 |
| CFI | ≥.90 | .953 |
| RMSEA | ≤.08 | .058 |

**TABLE 4**
Path Coefficient

| Paths | | | Estimate |
|---|---|---|---|
| Member Expertise | → | Informative Conformity | .560*** |
| Member Expertise | → | Normative Conformity | .499*** |
| Sense of Belongingness | → | Informative Conformity | .342*** |
| Sense of Belongingness | → | Normative Conformity | .470*** |
| Informative Conformity | → | Online Compulsive Buying Tendencies | NS |
| Normative Conformity | → | Online Compulsive Buying Tendencies | - .196 ** |

\* p<.05 \*\* p<.01 \*\*\* p<.001

conformity when they perceive the members in a virtual community have expertise. It can be supported by a previous offline study confirming that a consumer's belief in the credibility of the information from a group depends on the group members' expertise (Kelman 1961). The results of this study also confirm Pendry and Carrick's (2001) suggestion that belongingness should be considered more important in conformity. As Luo (2005) found that social influence is greater when the group is more cohesive, consumers showed more conformity when they felt more sense of belongingness.

Another interesting finding in this study was that while normative conformity in virtual communities has a significant effect on online compulsive buying, informative conformity has no effect on online compulsive buying. The negative relationship between normative conformity and online compulsive buying is consistent with many previous studies showing social norms have a negative relationship with compulsive buying (Lee et al. 2000; Schlosser et al. 1994). Although informative conformity on the Internet (e.g., online word-of-mouth) might affect normal consumers' buying decisions (Richins and Root-Shaffer 1988), it is not related to online compulsive buying. It can be explained by the fact that compulsive buying is unplanned behavior without much information search. The results of this study confirm the possibility of virtual communities playing an important role in preventing compulsive buying by reminding consumers of social norms. Therefore, online stores, like virtual communities, can also provide consumer reviews not only to give information but also to prevent online compulsive buying. As indicated in this study, consumers who feel a greater sense of belongingness in a virtual community have greater normative conformity, thus showing less online compulsive buying tendencies. Consequently, it is important to maintain a virtual community where members can feel belongingness.

In this study, we used a broad concept of virtual communities to obtain data. However, there are many kinds of undefined virtual communities in the real world with different characteristics. Thus, future research needs to examine whether the role of a virtual community in online compulsive buying is different across various virtual communities.

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# Fashion and the College Transition: Liminality, Play, and the Structuring Power of the Habitus

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## ABSTRACT

Fashion has long been a signifier of social divisions within the education system as well as society at large. This paper seeks to examine how young people's use of fashion varies in two distinct social milieus–the high school and college peer cultures. Interviews with 19 college freshmen were conducted to ascertain how fashion contributed to, or hindered, social divisions within each milieu. While informants recognized numerous social divisions marked by fashion choices within the high school milieu, during their initial weeks on campus no social divisions were identifiable. In this new milieu it appears fashion contributed to a sense of communitas among college freshmen. However, over time, this sense of communitas diminished as freshmen acquired the requisite levels of cultural capital to identify the signifiers of social divisions. Implications of this research are discussed in terms of freshmen's limited ability to play with their identity, as expressed through fashion, as a result of the structuring power of the habitus.

## INTRODUCTION

Indeed there exists a correspondence between social structures and mental structures, between the objective divisions of the social world–especially the division into dominant and dominated in the different fields–and the principles of vision and division that agents apply to them.

- Bourdieu 1989a, 1

The work of Pierre Bourdieu, despite being based on research conducted primarily in 1970s France, has been applied to a number of social phenomena within the contemporary American context by consumer behavior researchers. His work, especially the argument presented in his seminal work, *Distinction* (1984), has been applied to varied phenomena such as consumer tastes (Friedland et al. 2007; Holt 1998) and the selection of an institution of higher learning (Allen 2002), among others. A less often cited work, *The State Nobility* (1989a), however points to a need to examine the field of higher education as locus of class struggle. Institutions of higher education, especially elite schools, "produce a *consecrated* elite, that is, an elite that is not only distinct and separate [from the masses], but also recognized by others and by itself as worthy of being so" (Bourdieu 1989a, 102, emphasis in original). Through conferring not only educational credentials but also this mutual recognition, institutions of higher education legitimate and reinforce existing social divisions rather than serve as an equalizing force in class struggles.

Yet American college students do not view the college experience in such terms. Rather, they view it with excitement as an opportunity to reinvent themselves (Karp et al. 1998). And as colleges have experienced a two-fold increase in enrollment since the 1970s, an increase from 7 million to 15 million students (U.S. Census Bureau 2002) more young adults have entered college with this expectation in mind. The question remains, however, about how much agency individuals possess to reinvent themselves in this context? Does college represent a play-community (Huizinga 1950) that shares this collective illusion? And more particularly, how do college freshmen perceive and use fashion as a tool in this reinvention process; for fashion has long been a source of social differentiation (e.g., Bourdieu 1984; Hebdige 1979; Milner 2004) and as a means of expressing personal identity (e.g., Goffman 1959; McCracken 1988; Thompson and Haytko 1997)? Moreover, how does students' use of fashion reproduce or undermine the social divisions present within the high school milieu?

To examine these questions, the current study is based on interviews with college freshmen during the liminal period (Turner 1969) of the high school to college transition. The analysis of college freshmen's use of fashion at a single, large Midwestern university provides a nice contrast to Bourdieu's studies because, unlike the differences between students attending the selective *grandes écoles* and less selective universities, students' practices, especially in regard to fashion, are subject to the same structural constraints. Therefore, the differences in students' use of fashion may be attributable to "the dispositions of agents, their habitus, that is, the mental structures through which they apprehend the social world…[which is] essentially the product of the internalization of the structures of that world" (Bourdieu 1989b, 130).

### Structure, Liminality, and Play

Questions regarding the influence of social structures on individuals' agency have long been the central inquiry of social scientists. For example, scholars have examined the effects of the structural differences between rural and urban communities on the human experience (Gans 1991; Simmel 1971; Wirth 1938). In contrast, other scholars have argued individuals' subjective interpretations of the social world are the only valid way to explore the human experience (e.g., phenomenologists). These scholars believe social structures exert little influence on individuals' practices; individuals possess a great deal of agency to determine/create their own lives. But Bourdieu (1977) has rejected both of these approaches, arguing for "an experimental science of the *dialectic of the internalization of externality and the externalization of internality*" (72, emphasis in original), essentially a merger of the two approaches.

Bourdieu's ouvre of work is dedicated to demonstrating how such an integration of two divergent social science approaches can be applied to real world experience. Essentially, Bourdieu argues that the habitus, "understood as a system of lasting, transposable dispositions which, integrating past experiences, functions at every moment as a *matrix of perceptions, appreciations, and actions* and makes possible the achievement of infinitely diversified tasks" (Bourdieu 1977, 83, emphasis in original), negotiates between objective structures and practices and, ultimately, produces strategic action. In other words, Bourdieu proposes individual and collective action is limited by both objective social relationships and structures manifest in the habitus, which reproduce existing patterns of social interaction. Yet practices are not to be simply reduced to the structuring power of the habitus; practice results from the interplay of the habitus, the types and composition of capital individuals possess, and the rules dictated by a particular "field," (e.g., the college peer culture) structured spaces in which individuals struggle to maintain or achieve specific types or combination of capital, and consequently their social position. Individual agency exists within a realm of possible possibles–those possible actions that are possible despite the constraints of one's relative position in the field of power, their habitus, and the demands of the field.

Like Bourdieu, Turner (1969) also examines the relationship between social structures and practices, but his analysis can be classified as objectivist in nature. That is, he focuses his research on the structuring power of the ritual process and views individuals as

possessing limited agency to alter the ritual experience. Yet, he argues within the liminal spaces produced by social rituals, where the influence of social structures is subjugated by the power of anti-structure, social hierarchies are inverted (e.g., those with status are marginalized, the marginalized take a position of power) or eliminated all together (e.g., all are equal). In this way, liminal spaces are similar to the "intermediate positions of social space" where "the indeterminacy and objective uncertainty of relations between practices and positions is at a maximum, and also, consequently, the intensity of symbolic strategies" (Bourdieu 1989b, 133). The liminal phase, however, represents only the middle phase of rites of passage (Van Gennep 1960), which arguably, college is for those who experience it. It is preceded by the separation phase and followed by the aggregation phase. During the separation phase individuals are detached "either from an earlier fixed point in the social structure, from a set of cultural conditions (a 'state'), or from both" (Turner 1969, 94). Once separated from society and the stable structure it represents, the initiates, in this case college freshmen, become liminars, those who are "neither here nor there; they are betwixt and between the positions assigned and arrayed by law, custom, convention, and ceremonial" (Turner 1969, 95). Their daily activities occur in a distinct place, in this case the college campus, and are governed by different rules than society at large, and thus their social position is ambiguous. The ultimate goal of rites of passage is to pass to the initiate the collective wisdom of the group and then to reintegrate the initiates into the collective, returning to a social order previously inverted (Turner 1969).

Whether considering the college experience as a whole as a liminal period, or just students' first semester, this paper argues college represents a different stage of life than students have previously experienced, complete with its own cultural norms and rules. And upon completion of the liminal stage initiates are reincorporated into the general social structure, applying their newfound knowledge in a manner that reproduces the existing social structure. Therefore the ritual cycle completes itself, "men are released from structure into communitas only to return to structure revitalized by their experience of communitas" (Turner 1969, 129). As a result, communitas, "a sense of the generic social bond between all members of society…regardless of their subgroup affiliations or incumbency of structural positions" (Turner 1969, 116), is fleeting–it is unsustainable. The previously existing social structure reemerges.

But within liminal spaces individuals appear free, relatively, from the power of structure. Although individuals are never completely free from the influence of social structures and norms (Bourdieu 1977; Turner 1969) because liminal spaces exist "outside 'ordinary' life," are governed by rules (e.g., those imposed by tribal elders), and represents a period of "make-believe", at least in comparison to real life, they approximate the characteristics common to play spaces and games (Caillois 1961; Huizinga 1950). Yet, the other characteristics of play and games do not appear to apply to rites of passage like attending college. In particular, participation in traditional rites of passage is obligatory, not voluntary. Moreover, increasingly, the outcome of individuals' participation is not uncertain. By participating in the rite, individuals know that when the rite concludes they will have obtained a new position in society (e.g., a college graduate), replete with all the status that title confers. Finally, because rites of passage transmit social knowledge (i.e., forms of capital), which ultimately contribute to the reproduction of the existing social structure, rites of passage are best conceptualized as a productive activity rather than an unproductive activity.

However, despite these issues with the theoretical conception of play and games, within the liminal phase of contemporary rites of passage individuals appear able to play—at least in comparison with previous behavior. This claim, of course, requires substantiation. This paper attempts to do just that by examining play within a specific liminal phase, the transition from high school to college, and within a particular field, the fashion field. Certainly college as a whole is separated from everyday life, but when students leave the relative stability of high school for the relative uncertainty of transitioning to the college peer culture, they are certainly "betwixt and between" social positions. They are no longer adolescents but have yet to become adults. They are no longer high school students but have yet to become "true" college students. Moreover, they transition from occupying a position of power within one peer culture (i.e., that of a high school senior) to occupying a position of limited power within another (i.e., that of a college freshmen). The primary question, therefore, is when freed from the objective social structure of high school how do freshmen utilize fashion in their new peer culture?

## METHOD

The current study is based on depth interviews with 19 college freshmen at the beginning and end of the 2004 Fall semester, their first semester at a large Midwestern university. Interviews began with "broad stroke" questions (Thompson, Locander, and Pollio 1989), such as "tell me a little about yourself and your family." Follow up questions addressed a broad range of topics, including informants' use, and their perceptions of others' use, of clothing during the transition period. The first interviews began with a discussion of informants' high school experience, including a discussion of their clothing preferences and their perceptions of how clothing differentiated social groups. The interview then transitioned to students' initial impressions of college, as well as discussions about whether their clothing preferences had changed since high school. The second interview focused specifically on how students felt they fit into the larger social structure of the college and whether their life had changed over the past four months. Interviews ranged from 26-60 minutes. Of the 19 informants in the first interview, 14 (74%) participated in the second interview. Interviews were conducted either in a location of the informant's choosing (e.g., their dorm lobby) or in the lead author's office. The study resulted in 33 individual interviews, just over 26 hours of discussion, and 308 pages of transcribed text.

Data were analyzed following the hermeneutic method (Thompson 1997). Analysis began with an impressionistic reading of the transcripts and the identification of recurring themes within each individual interview. Subsequently, differences in informants' descriptions of fashion across the two interviews were also noted to explore the evolution of informants' clothing preferences and perceptions of others' clothing evolved over time. A second analysis of the data involved cross-informant analysis, the goal of which was to identify global themes that emerged from informants' descriptions of fashion. Analysis then integrated extant literature to help interpret how these themes fit within the larger discourse regarding structure, liminality, and play. Because any qualitative analysis is an iterative process, a third reading sought to identify any emergent themes not previously identified or themes that contradict the extant literature.

## FINDINGS

**The High School Milieu: Structure at Work**

The ability of fashion to mark social positions is apparent in informants' descriptions of their high school experience. Although a consistent description of "appropriate" high school fashion emerged across informants' descriptions of the clothing common in their schools, individual groups manipulated the fashion code to distin-

guish their group from the various other groups populating the high school milieu. Sally, who attended a large public high school, provided a general overview of the accepted high school fashion norm. As she commented, "Our school is kind of like the preppy school. So everyone wore Abercrombie [& Fitch] and American Eagle [Outfitters] and stuff." Other informants' descriptions corroborated the fact that the "preppy" look was common across high schools but added additional brands such as The Gap, Hollister, Aeropostale, and, in some instances, high-end brands like Banana Republic, Express, and Juicy Couture, to the list of acceptable brands. In addition to specific brands, the fashion norm also included specific items of clothing. Sally felt males would wear "Like just jeans or khakis and then like a collared shirt or like a t-shirt…no one really like dressed up differently than the next person for guys." Kelly, who also attended a large public high school, described the female version of the "preppy" look thusly: "Girls wear mini-skirts, t-shirts, like fitted t-shirts, button downs, polo shirts were big, flip-flops all the time."

Despite this general fashion norm, informants' comments unearthed distinctions between high school cliques, not only in regard to social activities, but also in regard to how they manipulated the fashion norm. The students who generally adhered to the norm, but purchased high-end brands as markers of distinction, represent a group termed the "Populars," although this title does not necessarily reflect whether informants viewed these students as popular. In contrast, those who deviated from the norm belonged to a group termed the "Outcasts." In between these two groups resided the "Normals." Clothing, therefore, marked relative positions within the social milieu, and therefore represented a from of agônistic play—which is "always a question of a rivalry which hinges on a single quality [in this case, fashion]…exercised, within defined limits and without outside assistance, in such a way that the winner appears to be better than the loser in a certain category of exploits" (Caillois 1961, 14).

When describing the social distinctions present in their high school, informants' descriptions suggest the Populars (e.g., "the jocks," "the pretty ones," "the party people") are the winners of the fashion game. As a result of their mastery of the high school fashion code, they are able to translate their high levels of cultural capital within the high school field, along with other potential attributes such as athletic performance or physical attractiveness, into a position of social dominance. The price students pay to achieve this social position, however, is perceived to be conformity. To belong to this group non-group members believe one must conform to the group norm. When asked to describe the Populars, Elaine, a self-described Normal at a private, all-girls high school, stated "Um, homogenous I guess would be a good word…I mean maybe they prefer it that way, like to fit in with their friends and wear similar clothing." Similarly, Eva, a Normal from a large rural high school, believed the Populars "all tried to be the same and nobody is comfortable being themselves or truly being themselves or being an individual. So they're really mainstream. They're the people who don't explore different things."

However, in reality, members of the Populars did not conform to the stereotypical high school fashion norm. Instead, their group conformed to an idiosyncratic form of the norm, one that emphasized high-end brands to distinguish themselves from the other peer groups; brands that communicated students' access to both cultural and economic capital. Yet, this mark of distinction was relatively subtle. The style of these high-end clothes mirrored those of the mainstream brands—jeans, khakis, polo's, and button-downs—what differed was the status of the brands. Hence one must possess the requisite level of cultural capital to be able to distinguish the nuance between the Populars' fashion norm and that of the general

high school population. When asked what brands the Populars favored, Dana, a self-described Popular at a large public high school, suggested they "would wear BeBe, they would wear Juicy…guys wore like Lacoste shirts, guys would wear Burberry shirts." By wearing these brands, according to Susan, another Popular at a large public high school, the Populars were able to stand out from their peers: "You know if you're going to be shopping at Saks Fifth Avenue and all that stuff you're going to have like nice trendy clothes. If you're going to be shopping at the mall you're going to be generic or whatever." By wearing high-end brands, the Populars both expressed their relatively higher levels of capital as well as perceived themselves as being different and original, especially in comparison to their "generic" peers.

In comparison to informants' descriptions of the Populars' predilection to conform to their group norm, members of the Normals perceived themselves as free to deviate from their respective group norm, a norm that is far more in line with the general high school fashion norm–jeans, khakis, t-shirts, and button downs. Eva, for example, described her personal style as motivated by a desire to avoid looking like everyone else. As she explained, "Like I don't want to look the same as everybody else. I don't want to blend or something. So I guess you wear what they don't wear." By not conforming Eva believes she is able to express her individuality and occupy a distinct place in the social universe. Rather than being a member of a clique or group, she is simply Eva. Jessica, another self-described Normal from a large public high school, also attempted to avoid wearing brands that she felt the majority of her peers wore. As she stated, "I don't like to buy stuff from Abercrombie because everybody has it. It's like mass produced and it's, you become mass produced when you wear that type of stuff." Through conforming, a trait often attached to members of the Populars, the Normals believe they are sacrificing their individuality. Hence, they perceive their fashion choices as being driven not by group pressures but rather by their own personal tastes; they perceive a great deal of agency. Yet a contradiction arises when comparing this idealized quest for individuality and other descriptions of Normals' fashion preferences. In later comments, Eva, despite her desire to stand out from her peers, claimed: "I like the Gap a lot!" Similarly, April, who attended a smaller suburban public high school, stated that she and her group of friends, all Normals, "wore like Hollister, American Eagle, Abercrombie, and stuff like that." Normals, like their Popular peers, have acquired the requisite cultural capital to act out the appropriate script within their peer group. Through this act of conformity, an act that Normals do not interpret as such, they can be confident in their knowledge that members of their peer group present a unique group identity to anyone who observes them, a unique group identity at least in comparison to the two other main peer groups in their high school environment, the Populars and the Outcasts. Consequently, they too can be considered part of the agônistic game. They may not spend as much on high-end brands as their Popular peers, but through their use of fashion, specifically their "sustained attention, appropriate training, assiduous application…" of a group fashion norm they express their "…desire to win" (Caillois 1961, 15) at the game of fashion, if the game is viewed as a means by which social divisions are communicated, including some while excluding others.

In contrast to the Populars and Normals, informants' descriptions of the Outcasts suggest this group occupies a distinct position among the high school groups in relation to the approved high school fashion norm. Whereas descriptions of the Populars and Normals suggest these groups adhered relatively closely to the norm, albeit with slight group specific deviations, the Outcasts (e.g., "losers," "nerds," "Goths," "stoners") appear to opt out of the high school fashion game. Although no self-described Outcasts

were interviewed for this study, informants' perceptions of this group are still informative. For instance, Eric, a self-described Normal from a public high school, perceived the nerd sub-segment of the Outcasts as not "car[ing] about clothing. They just wanted to show up and do their work or whatever. They didn't want to make a statement or look good or whatever, I guess." Julia, a Normal from a suburban public high school, also perceived a greater emphasis on academics than fashion among this group. Nerds, she stated, "don't care as much about the way they look…They'll just wear really simple clothes. They don't usually worry about like how, like doing their hair especially." Likewise, hippies and stoners were also perceived as ignoring the accepted high school fashion norm, but in a different way than the nerds. As Eva commented: "[Hippies] sort of rebel against mainstream things. They don't necessarily need to match. They don't really obsess about that…They're more interested in vintage things as opposed to new clothes." Even the Goth students, according to Gage, had a specific "uniform," just a uniform that was different from that of the Populars and Normals. As Gage, another Normal from a suburban high school, elaborated, "The Goths or skaters usually wore torn up clothes…[they] would wear stuff from Hot Topic or something. Metal prods on the clothing would be considered Goth." Whether because of a lack of cultural capital necessary to understand, or a conscious effort to reject, the established high school fashion norm, informants viewed the Outcasts as dressing drastically different from the vast majority of high school students.

Whether a "winner" of the high school fashion game exists is a rather subjective question–depending on who one asks, and their relative position in the social milieu, the answer will most definitely differ. The Populars will argue they are the winners, same with the Normals and the Outcasts. Yet, what remains consistent across these three groups is that within the high school environment fashion remains a central, albeit contentious, component in students' attempts to express individual and group identities (Danesi 1994; Goffman 1959; Milner 2004) while simultaneously communicating what type of person they are not (Bourdieu 1984; Englis and Solomon 1995).

### Liminality, the College Transition, and Fashion

When students graduate high school and transition to college, students enter a new field, replete with new rules, norms, and markers of distinction. That is not to say that they do not remember the social divisions that existed in high school, or how fashion contributed to marking those distinctions, for the high school experience remains a salient schema. Despite students' ability to apply the schema learned in high school to their new environment, it looses some of its efficacy. For college represents a distinctly different environment than the students have previously experienced. In most cases students have left the security of their adolescent homes to move into a residence hall, they are now living a semi-autonomous life free from the daily oversight of parents, they have had to sever some, if not all, of their high school friendships, and their daily life no longer revolves around the familiar norms and schedules of the high school peer culture, among numerous other changes. Consequently, college freshmen, especially during the first few weeks on campus, experience something similar to the second phase of rites of passage: margin (or *limen*) (Van Gennep 1960). They are betwixt and between two distinct phases of their lives: they are no longer high school students but they have yet to become entrenched in the college peer culture and, therefore, are not truly college students either. Although they have been labeled as freshmen, a label that positions them as occupying a low social status within the college social environment, within the freshmen class they represent "threshold people" (Tuner 1969). Among their

peers within this smaller sub-segment of the college milieu individuals "elude or slip through the network of classifications that normally locate states and positions in cultural space" (Turner 1969, 95). Because students possess limited cultural capital within this new field they are less equipped to classify themselves and their peers.

Informants' comments, therefore, suggest they viewed college fashion as representing a different type of game than the agônistic game of high school fashion. The college milieu was perceived as free from the competitive environment characteristic of high school. Students, therefore, began the year as equals. For example, Annette, a Normal in high school, commented:

I feel like in high school there is to a certain extent, to where everyone has that mentality of where you have to be what everyone else wants you to be… because it's not so structured of this social ladder that you have to climb…I think that it is the freedom… you don't have to worry about offending anyone or like being, being yourself.

Similarly, April, also a Normal, believed distinct social divisions were not present on campus.

I guess there's new groups forming but college is just different from high school. So I think the groups will always be open…I guess groups are going to form but I think everyone is just nicer in college and more open to meeting people because it's less cliquey. There's so many people around.

Both Annette's and April's comments illustrate the belief that college is not structured in the same manner as high school. They believe individuals are free to be whomever they wish, socialize with whomever they want, and freely switch between social groups. In other words, in contrast to the regimented high school milieu the college milieu is an environment where they are able to play.

Students' perceptions of campus fashion seem to reinforce this feeling of freedom and the lack of social divisions. Despite, as April commented, the fact college fashion is "pretty much the same [as in high school]. Like I said before, American Eagle, Abercrombie, stuff like that," students added certain components to their wardrobe in an attempt to fit into the college peer culture. In particular, every informant mentioned how prior to arriving on campus he or she purchased university branded apparel, clothes that were worn either on a daily basis or on special occasions such as football games. Ultimately, the shared consumption and display of university branded clothing generated a feeling of communitas (Turner 1969) among freshmen and the members of the larger university community. As Eva articulated, she purchased university branded clothing because

I thought "hey, if I go to [University name] I should probably have something that says it." Just because it sort of, it's not like it identifies you but it's a part of you now. Like I go to this school and you want to reflect that sometimes. So you want to have something that reflects it without having to say it. You just wear it and people see you and they know.

In her attempts to fit in, Sally bought university branded clothing to replace the high school branded clothing she previously wore. "Like I always wore [high school] t-shirts. But I feel stupid because I don't go [there] anymore. So I want [name of university] clothes for that purpose." Not only did wearing high school branded clothing make Sally feel stupid, it also appears to prevent her from fitting in with her peers; it communicated that she was different

from everyone else. In contrast, wearing university branded clothing allowed students to perceive themselves as part of the larger college community by minimizing differences and emphasizing similarities.

In addition to continuing to wear brands like the Gap, Abercrombie & Fitch, and others, along with university branded apparel, informants also mentioned how shopping at Urban Outfitters, a retail store centrally located on campus, that carries a wide range of youth-oriented apparel, aided their attempts to fit the college fashion norm. As Melissa commented, " a lot of kids wear [Urban Outfitters] hear just 'cause it's everywhere." Although informants viewed the store's convenient location as the primary reason students shopped at Urban Outfitters, by wearing its clothes students felt more confident in their ability to communicate a "true" college identity. Yet, like the Normals' assertion that the clothes they purchased were unique and helped them express their individuality, college students view shopping at Urban Outfitters in a similar manner. As Julia suggested, Urban Outfitters is "not your run of the mill Gap or Express and, that like mass produces the like same thing over and over. It's just really fun and, I don't know, creative." Thus, subjectively, shopping at Urban Outfitters was viewed as an act of non-conformity, while objectively, due to the number of students who shopped there, it can be viewed as a form of conformity contributing to a feeling of communitas, similar to that developed by wearing university branded apparel.

Through their similar use of fashion, college freshmen generate a sense of communitas that helps them transition into their new role as college students. That is, they appear to minimize their distinct high school identity (e.g., as a member of the Populars) in favor of maximizing the similarities between members of their new peer group. In essence, college freshmen appear to engage in a game of *mimicry*. Freshmen apply the limited cultural capital they have acquired during their first few days and weeks on campus, especially in regard to fashion, to make themselves believe, or make others believe, they are someone other than whom they truly are (Caillois 1961), or at least a different person than they had previously been categorized as in high school. Moreover, instead of accepting a position as a liminar freshmen play with fashion, by wearing university branded clothing or shopping at Urban Outfitters, to convince themselves and others that they belong on campus, that they are indeed college students.

**The End of the Liminal**

Despite the initial feelings of communitas generated by wearing similar clothing, communitas is inherently a temporary state. As mentioned previously, informants stated that college fashion was very similar to that in high school, with slight deviations. As such, the nuanced styles present in high school ultimately reappeared on the college campus as well. These nuances were masked, however, by students' desire to fit in on campus, the desire that contributed to feelings of communitas. However, as time progressed and students become more confident in their new identity as college students, the feeling of communitas dissipated and social divisions reemerged. Although students remained in a liminal phase in regard to their position within society at large, feelings of communitas ended.

Although during the first interview informants' discussion of fashion focused on how similar students' fashion was, during the second interview informants' comments centered on how students' fashion differed, and how these differences represented social distinctions. In addition to discussing fashion distinctions in similar terms to those described when discussing high school fashion, informants mentioned two brands distinct to the college peer culture. The North Face and Ugg Boots, unlike brands prevalent in the high school context, were not common in informants' high schools and, therefore, were perceived by informants as symbolic of a college identity. April's comments are illustrative of how informants discussed these items:

It's funny because me and my roommate were talking about the status symbols on campus…cause we went and got North Face fleece for Christmas, like from our parents. But we went and got 'em because they don't really have 'em at home. And um, we're just like "Oh, all we have to do now is get some Ugg Boots and an iPod and we'll be like everyone else on campus." 'Cause that's really how it is. Like there's things that you want and you don't even know why you want them. But like when you think about it, you look around and everybody has 'em. Like everyone has North Face fleece and like, sure, yeah, it's warm and it's nice. But I probably wanted it because everyone else has it. It's the same with Ugg Boots and iPods; everyone has 'em.

Although representing a symbolic marker of belonging, these brands, despite April's perceptions, were not nearly as prevalent on campus as university branded apparel, especially among freshmen. One potential explanation to this fact is that freshmen acquired the needed cultural capital to recognize these items over time, especially since they were not present in their high school milieu. In other words, they did not initially realize that at this university these brands were markers of belonging. Another interpretation, however, could be that unlike purchasing university branded apparel, a relatively affordable item (t-shirts begin at $5), and shopping, or simply browsing, at Urban Outfitters, acquiring a North Face fleece ($70+) or Ugg Boots ($160+) required a higher level of economic capital. Thus, despite being fairly prevalent on campus, not all members of the peer culture could afford them. For instance, April, who comes from a middle-class background, got her North Face fleece as a gift from her parents. However, due to her self-described limited financial situation she was unable to purchase Ugg Boots. Consequently, they remained a marker of status in her mind. As she later commented:

I can remember one time that me and my roommate were like sitting there and we saw this girl that we see a lot and she was like "she's so pretty." And she's like, "Ahh, look. She has those Ugg Boots. And they're real Ugg Boots!" Because they have like the fake ones and all that. But it was like she has the real ones, she must be rich…If we see someone with them we'll be like "Oh those are so cute. And they're real!"

Although Ugg Boots appear to become the focus of an ongoing joke between April and her roommate, it also becomes illustrative of how April feels left out, to a certain extent, of the college peer culture. Because she views Ugg Boots as a marker of a college identity, a marker she has yet to acquire, she is quite aware of others who possess them. Moreover, this example illustrates that agôn, the competitive form of play, manifests itself even in mimicry. April aspires to dress like those individuals who possess all of the markers of a college identity, but when she is unable to do so she expresses her longing through observation of, and commentary on, others' fashion choices. In this case, a particular brand, a brand that potentially could have served as a source of communitas, served as a source of social division due to the necessary economic capital needed to purchase the item.

Other fashion choices also emerged over time that contributed to social divisions. For instance, informants' consistently commented how the fashion choices of sorority members differentiated

them from the larger peer culture. Commenting on sorority members, Annie, a non-sorority member, stated:

> Oh you know! The sorority girls are just very, they're very, you can just tell. They are either wearing huge sunglasses and their purses and the collared polo shirts, driving Range Rovers. You can just tell. It's actually, they have a very distinct crowd. They are very rich, they get to wear, they're on mom and dad's dime so they get to wear whatever they want and it definitely shows.

Here the tension April felt in regard to her inability to purchase Ugg Boots becomes even more palpable. Annie, who came from a professional middle class background, interpreted the clothes, accessories, and automobiles sorority members owned as requiring high levels of economic capital. Because she could not afford or chose not to purchase these items she recognized a social divide between these individuals and herself. The distinction between those possessing high levels and those possessing lower levels of economic capital, a tension extremely apparent in contemporary American society, not surprisingly appears to manifests itself in the college setting as well.

Another social division that emerged over time appeared not to revolve around fashion per se, but more on behavior. Specifically, informants discussed a division between those who partied, define by the students as going "out" numerous times a week, drinking was often discussed but was not required, and those who did not. Despite being a division based on behavior, it was a division that was reinforced by fashion. While non-partiers and partiers alike were described as following the typical college fashion norm (i.e., a more relaxed version of the high school fashion norm) during a typical day, partiers adhered to a different fashion norm when they went out. According to Emma, a non-partier, it was quite easy to tell who goes out and who doesn't. "I mean in my opinion it's a lot like high school. They take forever to do each others' hair and makeup and pick out the perfect outfit." And, as Emma elaborated, if students were going out, then "the clothes better have a label!" Jessica, another non-partier, was able to provide a more detailed description of how she perceived partier's clothes differing from the non-partiers. "[Girls who go out] have the clubbing type clothes. You know, like the short skirts and the tops [that] always have sequins or beads on it, and you know, very low cut." In contrast, non-partiers did not alter their daily dress during the evening, and as such, were identifiable as non-partiers.

Through informants' comments it becomes apparent that, in comparison with the communitas felt during the early part of the semester, over time the social environment fragmented. The feelings of social cohesion that accompanied students' arrival on campus dissipated as students became better integrated into the peer culture, not only in regard to their fashion knowledge and choices but also in regard to forming peer groups and participating in campus activities. Fashion, a marker ignored other than to reaffirm social cohesion early in the semester, returned as a symbolic marker of social divisions recognized by members of the peer culture. In other words, the presence of agônistic play so prominent and divisive in the high school peer culture gave way to mimicry during the early part of the semester, which ultimately gave way to a more agônistic divisive form of mimicry and the return of agônistic play at the end of the first semester.

## DISCUSSION

The findings presented above present an interesting paradox. In a new milieu, a milieu that students perceive as being devoid of social divisions, fashion ultimately contributes to the formation of social divisions among peers. Despite feeling constrained by the divisions fashion created and maintained within the high school peer culture freshmen, after experiencing a brief period of communitas with their peers, appear content to let social divisions reemerge, with fashion as a symbolic marker of these divisions. The initial feelings of togetherness freshmen experience upon arriving on campus, a feeling facilitated by their separation from high school friends and family, cannot be maintained. Freshmen's perceptions of college as being representative of a utopian environment where everyone is free to be himself or herself and to be treated as equals crumble as objective social norms and structures reassert their dominance (Turner 1969). Although it is a relatively isolated environment (Bourdieu 1989a), the college environment is not so removed from the culture within which it is embedded as to be completely resistant to the structuring power of society at large.

Yet the experience of freshmen during the liminal phase of the college transition suggests that feelings of communitas can exist among people who share emotional experiences together. Whether the experience manifests itself during the liminal period of the college transition or during other liminal periods (e.g., Belk and Costa 1998; Kozinets 2002), fashion contributes to forming a sense of community among otherwise disparate individuals. By dressing in a similar fashion, students who may be struggling to feel a part of a larger community, and in many cases have yet to develop stable friendships on campus, are better able to deal with the uncertainty of their new environment. Fashion allows them to perceive that they are just like their peers; that they share something in common despite coming from different backgrounds. Moreover, fashion provides an opportunity for people to play with their identities, to present a specific identity to their peers, regardless of whether or not it is consistent with the reality the student experienced prior to arriving on campus.

To this point, however, it is necessary to mention that students' ability to play with their identity, whether expressed through fashion or other means, remains constrained by the habitus. That is because, as Bourdieu (1977) asserts, the habitus is transposable from one social environment to the next. It relies more on past experiences than it does on future experiences to determine practices. Consequently, although informants perceived themselves as free from the social constraints of high school and capable of enacting any identity they chose in the college environment, informants' personal style and perceptions of others' style did not alter drastically from how they described these things in regard to their high school experience. Informants who described themselves as Populars during high school continued to view themselves in this manner. Moreover, they often mentioned how they owned and wore North Face fleece jackets, Ugg Boots, and high-end brands in college. Likewise, informants who described themselves as Normals continued to rely on brands like Abercrombie & Fitch, American Eagle Outfitters, and the Gap as staples of their college wardrobe. Even when informants incorporated new brands into their wardrobe in their attempts to express a new college identity the vast majority of their practices and perceptions remained consistent with their high school practices and perceptions. For instance, April purchased a North Face fleece but still primarily wore the brands she wore in high school. Moreover, she viewed individuals who were able to purchase high-end brands as "rich," a term she did not use to describe herself.

The overall lack of informants who attempted to significantly alter their personal style, however, indicates the structuring power of the habitus. It appears the inertia of the habitus, the "*modus operandi* of which he is not the producer and has no conscious mastery" (Bourdieu 1977, 79), allows individuals to remain comfortable with their practices even when they transition to a new

field, a transition that arguably provides an opportunity for people to play with their practices and identity. Yet, practice rarely strays from "the limits of the group of agents possessing the schemes (of production and interpretation) implied in their production" (Bourdieu 1977, 80). In other words, the clothing students wore and felt comfortable in can be considered reflective of their past experience, the social class they belong to, and the composition of their collective levels of capital (Bourdieu 1984).

Therefore, it appears that not only does college control the allocation of status and privilege in contemporary society through the conferral of educational credentials it also continues the socialization process begun by primary and secondary educational institutions. That is, the socialization of students into a specific cultural tradition—a tradition which recognizes the symbolic nature of clothing and its ability to reinforce individuals' position in society. Moreover, this idea is reinforced by the fact that the way a student dresses may have ramifications in regard to what social groups individuals end up joining—which ultimately can influence potential career opportunities and future capital accumulation (Bourdieu 1989a).

In light of these conclusions, it is necessary to address some limitations of the current study. First, fashion is but one factor in a complex phenomenon, the structuring of society. So although clothing appears to contribute to the creation and reproduction of social divisions, the current study does not claim it is the only factor responsible for this process. Future research should continue to attempt to identify additional factors that contribute to this process. Second, gender differences may color the findings discussed above. The majority of informants in the current study were female, and as they mentioned, in contrast with female students, male students appeared less concerned with fashion choices and, in general, dressed in a very similar fashion. Again future research with a more representative sample of males and females, as well as with individuals possessing differing ethnic, racial, and income backgrounds is needed to support the centrality of fashion as a symbolic marker of social status on college campuses. Third, future research should include more diverse institutions of higher learning (e.g., private, liberal arts, technical colleges) to determine how the idiosyncratic nature of the various institutions may contribute to, or hinder, the use of fashion as a marker of social divisions.

The ultimate conclusion of the current study, however, is that individuals' ability to play, even during liminal periods, maintains an agônistic undertone and remains severely constrained by the power of the habitus. The consequence of this reality is that as individuals progress throughout their life course they remain on a relatively stable trajectory, albeit a trajectory that situates them within the competitive social structure of society. Although slight alterations may occur that result in a slight shift in trajectory for one particular individual, in general, social practices, specifically in this study the clothes one wears, reproduce and reinforce objective social structures.

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# Heard but Not Seen: A Teenage Centric Approach to Music Consumption Research

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## ABSTRACT

There are significant problems with published work on youth and music which principally involve methodological approach and data collection. This paper seeks to explore and develop the concept of teenagers designing their own questions, collecting their own data and interpreting their findings to contribute to an understanding of adolescent music consumption. Findings indicate that using a teenage centric approach generates insight into actual behaviour of respondents thus reducing social desirability issues and that the teenage interviewers were able to distinguish differing responses from friends and members of their friendship group.

## INTRODUCTION

Talbot (2005) argues that faced with an increasing array of competing 'lifestyle' products aimed at young consumers (e.g. television, films, games, mobile technology, and the internet) pre-teens may not be drawn to music as much as they once were. As these pre-teens mature then, there would be a dearth of music enthusiasts negatively impacting upon the sales of crossover acts currently helping the record industry to survive. It is now appropriate and perhaps essential for the industry to consider a more sophisticated way of researching and targeting a youth audience that has historically been regarded as a homogenous group of consumers.

Bennett (2002) indicates that there are significant problems with the existing published work on youth and music and makes an appeal for a more ethnographic approach when researching music. Cohen (1993) also suggests that attempting to place the participant in the context of their "day to day activities, relationships and experiences" (p124) is lacking from existing studies. The significance of contextualising and the inter-relationship between the individual and their environment ought not to be precluded from research studies on youth and music.

This study focuses on what respondents (participants) take into account and not, as with social science, what the researcher may wish to account for in an *a priori* fashion. Pollner and Emerson (2001) suggest that more recent forms of ethnographic research are concerned with 'living' the lived order. As such, there is a demand on the researcher to immerse him/herself more deeply into the actual practice or endeavour under investigation. A study is only accessible to those with the competence to participate in it. In this research therefore, it was necessary to interact as and with teenagers. In other words, the researchers attempted to achieve as closely as possible what Pollner and Emerson (2001) describe as "an auxiliary to the practitioner profession or work site under consideration" (p124). Given the age of the authors, it was impossible to interact with the teenagers as a teenager and obtain a fully ethnographic account of their 'lived' world.

Even though an ethnographic approach has been identified as having a number of methodological issues and limitations (see for example researcher guidelines: ESOMAR, 1999; MRS 2000), there are a number of positive attributes of employing *aspects* of this approach notwithstanding calls for this type of method to be employed. These include allowing the adolescent a greater opportunity to engage, design and interpret the research using a language that is familiar to them. As such the interviewer and interviewee will be able to engage in the mutual construction of meaning (Mills, 2001).

Kraak and Pelletier (1998) suggest an adult moderator should be replaced by a trained youth peer to obtain more reliable information and that this information should be collected in familiar surroundings. The trained youth peer (in the practitioner context discussed by Kraak and Pelletier) will typically be asking questions or facilitating activities that have been predetermined by the research teams for the benefit of the client organisation. Similar work conducted by Shermach (1996) discussed the use of peer guides aged 8-19 years who worked in pairs to lead team activities among 4-12-year-olds. Adult moderators behind the scenes, however, fed questions to the peer moderators to address specific consumption issues.

The limitations of these approaches are two-fold: there appears to be no input from the peer moderators in designing the questions and, perhaps as a result of this, the research does not consider what is important to the respondent (only what the researchers or clients think is relevant). Particularly with adolescents, negating the relevance of what is important to them will not facilitate a holistic understanding of their consumption behaviour. This may be particularly relevant in relation to popular music consumption which has traditionally been seen as pertaining to a youth market.

## MUSIC INDUSTRY YOUTH RESEARCH

Age, gender and class are the main criteria for presenting statistics and survey findings across a range of market and consumer data produced by the British Phonographic Industry (BPI), the International Federation of the Phonographic Industry (IFPI), Mintel,[1] Keynote, and Euromonitor (2005). However any distinctions that are made between groups within the teenage segment of consumers are limited to only some categories within the main statistical reports provided by these organisations and distinguish between early adolescent age groups (12-14 years) and older adolescents (15-19) with respect to 'choice of music', 'music downloading', 'purchasing by outlet' and 'music attitude statements' (Mintel only). All other adolescent consumer data is collapsed into the broader age classification of 12-19 years. This clearly produces a composite and only partial view of the adolescent consumer of popular music and represents a weakness in the industry's understanding and knowledge of their younger consumers. This research aims to contribute to an understanding of attitudes towards music, listening habits and preferences as well as positing an innovative approach to data collection and as such illustrates that a teenage centric interview method may be more insightful than research methods designed and implemented by adult researchers and traditionally used to elicit data from adolescent consumers.

## ADOLESCENCE AND MUSIC CONSUMPTION

Music is known to be important in the social and personal lives of adolescents and as such many researchers have examined the role music has played in satisfying particular emotional needs (strategies for coping), social needs (belonging and identity) and developmental needs (the socialisation 'journey') [See Arnett, 1995b;

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[1]Mintel also segments music purchasing data, retail outlet data and attitude statements by 'Working Status', 'Respondents Own Children', 'ACORN' and 'Lifestage' categories.

**DIAGRAM 1**
Overall Programme of Research

## Teenage centric method
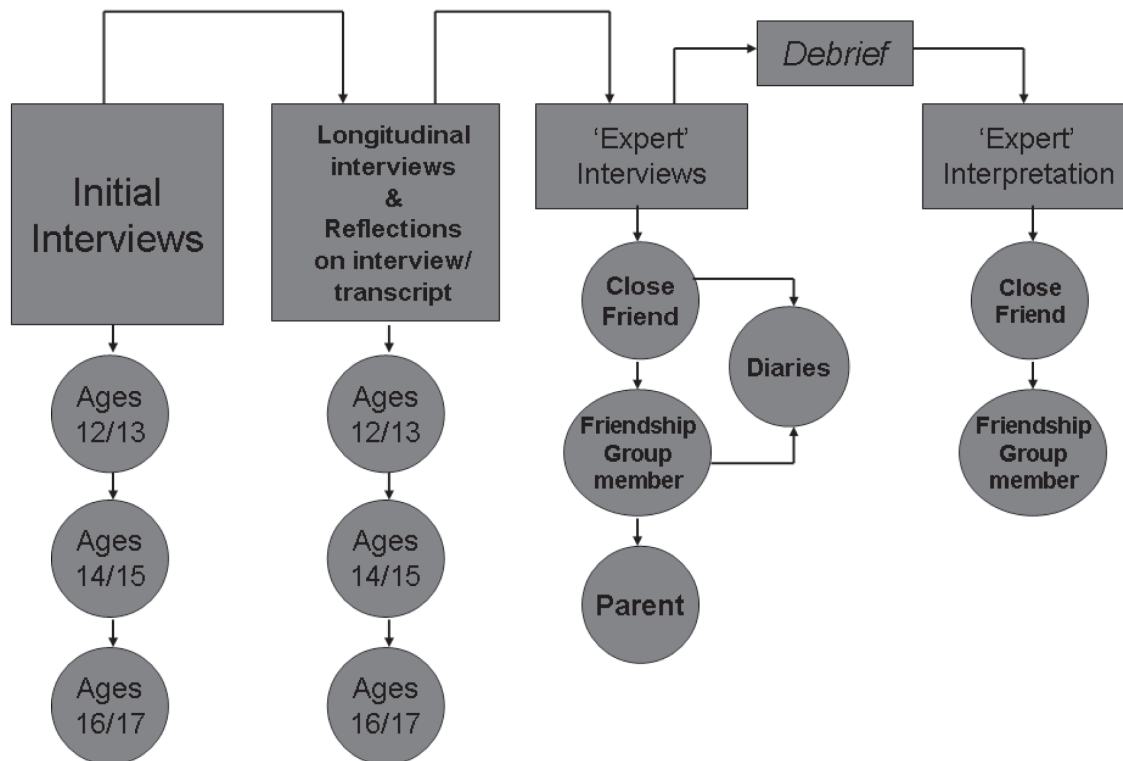


Larson *et al*, 1989; Larson and Kubey, 1983; Levy and Windahl, 1985; Lull, 1987, 1992; Rubin 1994]. What perhaps is less obvious is an understanding of the contradictions teenagers often display relative to popular music consumption and the sometimes seeming inconsistency of their choice and use of music. It is this that would be of most use to the recorded music industry.

### THIS STUDY

This research therefore attempts to contextualise the data (in relation to what the teenagers believed was most important to them, how they consumed and used music, how often they listened to music and, perhaps most importantly, how they used it to express their identity) in order to move towards a more ethnographic approach by creating an opportunity for greater adolescent involvement in both designing and interpreting their own interviews. This method is akin to that used in the psychology discipline known as Interpretative Phenomenological Analysis (IPA) as described by Smith & Osborn (2003). The IPA method considers how an 'insider's perspective' can be obtained when the researcher cannot do it themselves either directly or completely. This approach could be considered an 'ethno-extension' method as it builds upon our traditional understanding of ethnography.

Diagram 1 provides an overview of the way in which this research followed both a sequential and emergent approach where later stages in the research were both influenced and informed by previous stages. The initial interviews built on previous exploratory work conducted and published by the authors. This pilot work included conducting a mini-group (a simulated situation in which the teenagers were asked to be DJs playing to selected group of friends) followed by a number of exploratory interviews. As a consequence of the findings from this previous research the author

became increasingly aware of the need to employ a more ethnographic approach.

### RESEARCH METHODOLOGY QUESTIONS

* Can a greater understanding of adolescent music consumption be achieved by using teenage interviewers?
* Will using a more teenage centric approach provide different results to more traditional methods?
* Are there implications for future studies conducted with adolescents?

### METHODOLOGY AND RESEARCH APPROACH

Initially teenagers were interviewed in a traditional manner to explore their music consumption habits to allow accurate and inclusive personal accounts to be recorded. In-depth interviews were designed to be purposeful, ensuring interviewee time was carefully utilised and interviewer effects were minimised by the use of specific questions (Hollway and Jefferson, 2000). The appealing feature of interviews as a research tool is the opportunity for the interviewee to respond in their own words to express their own personal perspectives. As the intention was both to explore music consumption and to allow the researchers to immerse themselves in the phenomena under investigation the in-depth interview approach was considered an appropriate method.

However, in order to employ a more ethnographic approach to the study, the authors then recruited 10 teenagers (all of whom had been interviewed twice for the longitudinal research) to conduct their own research on a close friend and a member of a friendship group in relation to music use, choice and consumption and the way in which this was expressed through identity formation. It has been noted that it is necessary to differentiate the roles of close friends

and the wider social group and to consider the influence of non-parental adults (Arnett, 1995b; Buysse and Oost, 1997; Claes *et al*, 2005 and Vincent and McCabe, 2000). Aggregated findings that consider friendship groups or families as a whole are known to mask the distinct differences between the two. As such, the expert interviews sought to establish if there was a difference between the two groups in terms of music consumption.

While the initial interviews provided breadth and depth of data, allowing the authors to explore the key themes identified in the literature and subsequent issues that emerged from the initial stages of research, a more ethnographic approach could potentially add a further dimension to the overall findings. It is acknowledged that any interviewer (regardless of age) can affect the rate and quality of responses (Singer, Frankel and Glassman, 1983). Yet the draw of a more ethnographic approach, which would afford an otherwise unobtainable insight into the culture, cultural text and sub-text of adolescents (including language short-hand), was appealing enough to find a way in which the research could be conducted by adolescents ranging from 12 years to 18 years albeit with some limitations. It would also offer the opportunity to triangulate the data, that is, "use different kinds of measurements which provide repeated verification" (Miles and Huberman 1984: 234) from the initial interview stage.

## CONTEXT

The 'expert' interviews were to give another social context in which the research could be conducted. The interviewers were known as 'experts' as (a) they were familiar with the context and objectives of the research and (b) they were possibly able to obtain data otherwise impossible for the author to collect because of their age and their position within their friend and peer groups. Additionally, (c) they were given a 'training session' on interviewing and they designed their own interviews through tasks (i.e. collage construction) with the authors and (d) they would 'interpret' the data.

To maximise the conversational and ethnographic aspect of the expert interview, the questions used in the interview were designed by the adolescents themselves, based on the themes generated within the study's conceptual framework (See Tables 1a & 1b). Two groups of experts were invited to participate (12-14-year-olds and 15-18-year-olds). These two age 'groups' were chosen as Harvey and Byrd (1998) indicate that *early adolescence* is mostly about acquiring information and experience, while *late adolescence* is characterised as being a period of identity development in which the information obtained earlier is used to build and consolidate a new identity. As such, the importance of the social context might change over the course of development and this would be easier to determine if these two age groups were used.

As can be seen in Table 1a & 1b the interview questions designed within the given themes by the older adolescent group differ in various ways from the questions created by the younger group. As may have been expected the older group produced on average a greater number of questions under each theme. They tended to be more sophisticated and enquiring in nature. The older group also demonstrated their better understanding of the research and its objectives by positing questions that were designed to explore in more depth aspects related to identity, social contexts and behaviour relating to music consumption and use.

## DESIGN

The questions the teenagers asked their friends arose from discussions that centred on collages the recruited experts made together at the start of each 'training' session. The teenage research-ers were given a variety of music/teenage interest magazines and were asked to generate collages using clippings from the magazines under a number of relevant headings. The adolescents then made up their own questions discussed and agreed within the group. They were then supplied with the materials to conduct the interviews, instructions on ethical issues and means of contacting the researchers in cases of difficulty and/or need for more general support.

Having conducted the interviews with their friends, all of the experts provided an interpretation of their peer interviews. To facilitate the interviews, the experts chosen were provided with the transcripts of the interviews they conducted with their friends and audio recordings of the same interviews. The experts were then asked to go through the transcripts and listen to the tapes after which they were asked to interpret the findings. A tape-recording was made of the experts' interpretations as they discussed their own interviews. The interpretation of each interview transcript was divided into the 10 themes related to the meaning of music, identity and self expression through music and music listening and consumption. These were identified during the initial phase of research. At each stage, very brief prompts were provided by the researcher and are summarised below:

- In your own words, what did you understand about what your friend was telling you here?
- How easy was it for your friend to answer these particular questions?
- Do you think your friend was hiding anything or did s/he surprise you with anything they said?
- How honest do you think your friend was being?

## SAMPLE

Each expert interviewed two friends (a close friend and a member of a friendship group). There are a greater number of female 'expert' adolescents (7 female and 3 male experts) but this is because they were more interested in taking part in the study. This interest in the research was a factor in recruitment as the author believed the research process was likely to run more smoothly if the experts were 'engaged' with the project. Of course a limitation of using the approach is that those with good communication skills were more likely to volunteer and as such their sample of friends chosen for interview may reflect this. However, as this aspect of the overall research study was both exploratory and experimental, the sampling frame was considered appropriate to meet the objectives of this aspect of the research.

## RESEARCH METHOD FINDINGS

The insights, where observed, will be discussed under the headings of Interviewer Effect/Social Desirability Issues and Context, Friendship Type and Stage of Adolescence. To help illustrate the findings relevant quotes from the discussions the researcher had with the teenage interviewers during the self interpretation stage of the study are provided under each heading.

## INTERVIEWER EFFECT/SOCIAL DESIRABILITY ISSUES AND CONTEXT

The self-interpretation of the interviews conducted by the teenage expert was extremely insightful–particularly in relation to the methodological contribution. That is, by asking the teenager researchers to interpret their own interviews, a rich context could be added to the basic transcribed words from the interview (Mills, 2001). Courtesy of the 'personal' knowledge that the teenage interviewer possessed about their friends, the *actual* behaviour of the teenage respondent was often used to support the expert's

**TABLE1A**
Interview Questions Designed by Each Group of Experts

| InterviewThemes | Early (Younger) Adolescent Sample | Later (Older) Adolescent Sample |
|---|---|---|
| **1. Things which are really important** | *Questions E1*<br>• What is important to you in life generally?<br>• Give examples of brothers & sisters, other family, friends, fashion, money, health, lyrics, advice on life, looks and appearance, clothing, etc<br>• Do you have a role model? If so, does it affect you in the way you dress, talk and behave? | *Questions L1*<br>• Would you listen to music just because it made you laugh?<br>• Do you listen to music just because other people do?<br>• If you could only take one thing with you to a desert island would it be music related?<br>• What is really important to you and why? |
| **2. Places they would listen to music on their own** | *Questions E2*<br>• Do you listen to music on your own?<br>• If so, where do you listen to music on your own?<br>• Would you rather listen to music through headphones or in a room on your own with the door closed and blast it out? | *Questions L2*<br>• Do you listen to music in your underwear? Why?<br>• Where do you listen to music?<br>• If you listen to music alone will it be of a more subdued genre than that which you would listen to amongst companions?<br>• Do you need to listen to music to help you concentrate?<br>• Do you feel less on your own when you listen music on the bus? |
| **3. Music they would listen to with their friends** | *Questions E3*<br>• Would you be influenced by your friends?<br>• What types of music would you listen to with your friends?<br>• (If female/Male) Is it just male/female artists you listen to? And why? | *Questions L3*<br>• Do you dance when you listen to music with your friends?<br>• Do you feel that you have to listen to certain types of music to get new friends? Or more better friends?<br>• Do you feel more free when you listen to music with friends?<br>• Would you sing along to music with friends in public? |
| **4. Music they would listen to with their family** | *Questions E4*<br>• Do you and your family listen to music together?<br>• Do your parents listen to music they grew up with or do they listen to a bit of both?<br>• Do you listen to music with your brothers and sisters? If so what? | *Questions L4*<br>• Have your parents influenced your taste in music?<br>• Is the music you listen to with your parents the same music you listen to with your friends/or on your own?<br>• Do your siblings influence your music taste? How?<br>• Would you know your parents' music tastes enough to buy them a CD for a present? |
| **5. Things that influence or have influenced the music they like** | *Questions E5*<br>• Do male or female celebrities influence the music you choose?<br>• Do awards influence the music you like?<br>• Do your moods influence the music you choose? | *Questions L5*<br>• Would you buy a CD just on the recommendation of your friends?<br>• Would you go to a concert before they heard a CD?<br>• Does fashion and style influence the music you listen to? |

**TABLE1B**
Interview Questions Designed by Each Group of Experts

| Interview Themes | Early (Younger) Adolescent Sample | Later (Older) Adolescent Sample |
|---|---|---|
| **6. Music says something about who they are / what other people are like** | *Questions E6*<br>• Does you personality show through your music?<br>• Are you sometimes mistaken for someone you're not because of the music you listen to?<br>• Does the music you like reflect your attitude towards things?<br>• Does music say something about what other people are like? | *Questions L6*<br>• Do people change depending on what music they listen to?<br>• If someone asked you what bands you like would you only mention bands you thought would make you look good?<br>• Would you think less of someone if they liked crap music? Why? |
| **7. What music means to them and how it makes them feel** | *Questions E7*<br>• What does music mean to you?<br>• Do you listen to music for a specific reason?<br>• If you are happy or sad does that affect the music you listen to? | *Questions L7*<br>• Do certain songs remind you of certain people? Why?<br>• Does music make you feel individual?<br>• If you were depressed could music cheer you up?<br>• If there are problems in your life do you listen to music that makes you feel sad? |
| **8. Music that's in** | *Questions E8*<br>• In your opinion what music do you think is in?<br>• What about these styles: R'n'B, Hip Hop, Rock, Pop or Indie | *Questions L8*<br>• Even if you didn't like a band, would you stalk them just to say you had met them?<br>• Would you avoid music cause everyone else likes them? Why?<br>• Do you listen to or watch programmes that promote music e.g. Popworld, CD UK, TOTP? |
| **9. Music they listen to that's cool** | *Questions E9*<br>• Do you think the music you listen is cool or not?– What kid of music is that?<br>• Do you follow the crowd or do you just listen to music you like? | *Questions L9*<br>• Is retro music more cool than modern music?<br>• Define cool? What makes music cool?<br>• Is cool music different to good music? |
| **10. Things they buy or own that show others the kind of music they like** | *Questions E10*<br>• Does your style or the way you dress show your personality to others?<br>• What do you buy or own that shows others the kind of music you like– examples: clothing, hair styles, ring tones, CDs, the way I dress | *Questions L10*<br>• Would you wear PVC trousers/clothing even if it made you feel really uncomfortable because they linked to your music?<br>• Would you dress like members of bands you appreciate?<br>• Would you wear clothes to advertise bands you are into? Why? |

interpretation of the interviews. The following quotes from the researcher's discussion with the teenage interviewer during the self interpretation stage of the research help illustrate this point:

(Key: *R*–Researcher T–Teenage Interviewer)

*R -  Do you know her brothers and sisters and her family? (See Questions E4, Table 1a)*

T -  Yes, I'm staying with them in 11 days

*R-  So do you agree that's how your friend behaves when she's with her family?*

T -  Yes because I do know that she does listen to music with her family, I mean that's very honest, she didn't cover anything up there. I would have thought some people would have been a bit maybe embarrassed or they didn't really want to say they listened to The Lighthouse Family, Tina Turner. Obviously she laughed when she said Tina Turner because maybe she thought, oh that may be quite funny for somebody else. Maybe she was trying to make a joke of it as if to say, well I do listen to it but maybe if I make it into a joke or try and make it funny, then maybe they won't take it that way.

This reduced the impact of interviewer effect and addressed some of the social desirability issues in relation to the responses provided and gave the findings from the interviews a context and meaning that the researcher would have found extremely difficult to obtain on their own merit. Again, quotes from the self interpretation stage of the research help illustrate this:

*R -  This is your close friend responding to question 5 (See E5, Table 1a). What did you understand about what your friend was telling you here?*

T -  There is a lot to say about that one. When I said, do [music] awards influence the music you like? It was a very quick response, she said 'yup'. I don't think she does, I just think she said it just because she said yes to the first question, yeah they do and then she kind of yup, yup. I think she was just trying to get through it, I don't think that's particularly true. I don't think she was being honest and obviously the last one I had to keep prompting her, you know hand movements and whispering.

*R -  This is the response from your other friend to question 5. Tell me about this. How honest do you think your friend was being? (See E5, Table 1a)*

T -  Well she took a bit of a pause when she answered. She's very into watching like soap awards and soaps and all that and obviously like celebrity things, you know like Celebrity Love Island and all that. But I think that's very true, I don't think celebrities do influence her at all because she likes different types of music, she's not one of those people that just has one, you know like R and B for example and that's all she listens to, she listens to like heavy rock and if her sister wants to listen to pop she'll quite happily listen to that. So she was being quite honest.

## FRIENDSHIP TYPE

The teenage 'expert' interviewer indicated that closer friends were less nervous when being interviewed and the interviewer was more inclined to challenge the answers of the closer friend. This may also somewhat explain the inconsistency of music use and choice as closer friends may feel more comfortable choosing and using their preferred music when they are more confident in the

company they keep (situational consumption). During the self interpretation stage the following teenage interviewer commented:

*R -  Tell me about this response to question 7 from your other friend (not close friend) (See L7, Table 1b)*

T -  When I asked what does music mean to you and how does it make you feel, instead of saying, oh it means a lot to me, she just said, I kind of relax and be myself and just go completely mad. I think she went for the 'feel' bit of the question rather than the actual question, she just kind of focused on the, how it made her feel rather than what it means to her.

*R-  When you were listening to her answers what did you think?*

T -  Well I could tell that she was trying to expand rather than tell me what she felt. I think maybe the questions were too long or she didn't understand which part she had to answer. I think she goes off the point a lot, so I said if you're upset would you want to listen to the lyrics and she said, the lyrics have something that maybe relate to what happened in your day, say you had a fight and there's maybe a lyric or two that kind of sound like what happened in your day, or do you listen to the tune, if it's like really angry type of music. But she went on to say that she liked singing, yes she does but that wasn't the question. She was using her body language, again she was moving around a lot. I think at one point her head was like there and you know the tape player was over here, so I had to kind of say like, sit up, can't hear you, she was using body language as if to say, oh I'm a bit nervous.

Perhaps one of the most interesting 'expert' findings relates to the differences that the teenage experts perceived between their close friend and the member of their friendship group. The teenage researcher was more readily able to identify instances of multiple selves (Goffman, 1963) in the member of a friendship group, but less able to do so for the close friend. It's possible that the close friend expressed fewer 'selves' generally, but a more likely explanation may be that the close friend only showed a 'particular self' to the teenage interviewer or that the teenage interviewer only chose to see the 'self' of the respondent that most reflected who they thought their friend was (and as such allowed the teenage interviewer to position themselves socially within a larger friendship group).

*R -  So, your close friend's response to questions 8 and 9? Tell me about this answer. (See E8 & E9, Table 1b)*

T -  She says R&B is cool and then she was trying to think of something else to say because she realised she kept saying the same thing and then she repeated what I said, I said so a bit mixed and she was like, yeah a bit mixed. Then I said, do you follow the crowd and then she kind of huffed, I think she was trying to make a point–'I don't follow the crowd, I listen to music I like'. I think you know when I said that, she was kind of, I listen to music I like. I think she gave me, not a frown exactly but just maybe a look…you know do you follow the crowd type of thing and she kind of went 'No I like the music I like', you know evil eyes.

## STAGE OF ADOLESCENCE

Although a reduction in socially desirable responding has been noted already as one of the key benefits to be gained from a

teenage centric approach, more sensitive and personal aspects of music consumption were still difficult to ascertain within the teenage peer interview stage. The self interpretation stage of the research provided further insight into the differences between younger and older adolescents with respect to music consumption, self concept and self identity.

As noted earlier, Harvey and Byrd (1998) have indicated that subtle but important differences exist between *early adolescence* and *late adolescence* with regard to identity development. Findings gathered during longitudinal depth interview stage of the study revealed that peer group influence appears to be more intense for younger teenagers and it seems more difficult for adolescents in this age group to "commit" to what music they liked as opposed to what they disliked. As Hogg & Banister (2001) suggest, the reason for this may be that the negative aspects of consumption choices carry significant meaning in creating personal, social and cultural identities. This also emphasises the social significance of music. Indeed sharing music is very personal for this younger age group and knowledge of other peoples' music taste is considered intimate. As a result this is likely to be a subject area that is more difficult to explore and identify even within the peer interview research stage.

The longitudinal interviews also suggested that older teenagers were more philosophical about music tastes and were far less likely to display any anxiety about listening to music publicly or privately. The following quotes from the self interpretation stage, firstly with a younger teenage interviewer followed by an older teenage interviewer help to illustrate further the value of this research method in offering greater insight into particularly sensitive or personal aspects of the research:

> R- *Tell me about this answer. How honest do you think your friend was being? (See Questions E1, Table 1a)*
>
> T - I think she hesitated here, I think she was thinking of how to say it. I think she was…..well not quite embarrassed but quite shy of saying that she didn't have a role model, I think it's because she was a bit doubtful about saying too much, and saying no I don't have one. She probably just thinks that because I asked her that, that most people have one maybe and she thought, oh I don't have one and she was trying to think whether she should say yes and just think of one, or say no.
>
> R - *Do you think your friend was hiding anything, did he surprise you with his answer at all? (See Questions L1, Table* 1a)
>
> T - Not really, I think he knows what he likes and doesn't really mind being open about it. He'll put up with my music coz we have that sort of understanding you know. As a rule most people are going to be more open-minded when they're with their friends because they've got to put up with other people's music taste. Normally, if the friends are close enough and there's no real option of escaping it, then that can lead to mutation I guess.

## TRADITION VERSUS INNOVATION

The first reason for employing an 'ethno-extension' approach was to ascertain if a more teenage centric approach would provide a deeper understanding of music consumption and use than that obtained by the researchers alone during the initial teenage interviewing stage. It has clearly been identified above that there are specific advantages to recruiting teenagers to conduct research and interpret findings. The second research question was whether a traditional approach would provide different findings to those obtained by the researchers. This triangulation (teenage 'experts' exploring music choice, use and consumption) however supported the initial findings of the longitudinal in-depth interviews that identified that those raised in blended and single parent families used music to build bridges, intensify relationships or exclude family members and that teenagers raised in 'intact' or traditional families were more eclectic in their music tastes.

Interestingly, 'shared knowledge' between the friends made questions about specific music tastes (from teenager to teenager) obsolete and were considered 'unnecessary' or boring by respondents. This may indicate that using both a traditional research approach and a more ethnographic approach in combination will yield greater understanding of the subject in question as a more holistic view is likely to be achieved.

## IMPLICATIONS FOR FUTURE RESEARCH

This methodological approach contributed to a richer understanding of the themes within the research as the teenagers wrote their own questions in their own words. This automatically provided a more teenage-centric piece of research design and would potentially elicit a different response to the questions posed by the authors. This approach also afforded significant methodological contributions including: (a) insight into actual behaviour of respondents thus reducing the ability of the teenager to self present an alternative reality, (b) the teenage researcher was able to recall 'body language' used during the interview and the implications this had for what was being said and (c) the differences in perception between close friend and member of a friendship group. The contribution made by this method also encompassed the fluidity of the interview and interviewee credibility in terms of trust and familiarity. Finally, their understanding of the context of the responses given by their friends (personal knowledge) allowed the interview to evolve in a more ethnographic fashion through greater contextualisation of the discussion, much of which was recorded in the transcript. Future researchers ought to be encouraged to employ aspects of ethnography where a full ethnographic approach is unattainable given the positive and cohesive results from this particular study. Ethical issues, however, are paramount and the design and context of the study ought to be fully considered and approved before research is commenced.

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# On the Role of Materialism in the Relationship Between Death Anxiety and Quality of Life

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## ABSTRACT

The role of death anxiety as a factor in consumption behavior has received considerable attention recently. While death anxiety and materialism have been examined together, as have materialism and quality of life, the relationship between the three concepts simultaneously has not been tested. The purpose of this paper was to examine the three constructs in a single structural equation model to determine their direct and indirect relationships. It was shown that death anxiety did affect materialistic values which then influenced quality of life perceptions. There was no direct effect for death anxiety and quality of life.

## INTRODUCTION

The influence of different aspects of the experience of death on consumer behavior has been investigated for about 10 years. This stream of research first dealt with the painful subject of the death of a spouse (Gentry et al. 1995a). This research analyzed what Gentry et al. (1995b) referred to as liminality, the state of vulnerability throughout the transition period during which a person is experiencing the trauma caused by the death of a beloved subject. Another death related subject has been the disposition of special possessions (Lastovicka and Fernandez 2005; Young and Wallendorf 1989). Stevenson and Kates (1999), for example, analyzed the meaning of the "last gift" in the specific context of dying from AIDS. Finally, and more recently, marketers examined the importance of a new psychosocial theory dealing with death called Terror Management Theory (TMT) (Greenberg et al. 1990; Greenberg et al. 1992). This research examined various consumption implications in marketing and new ways of understanding classical consumer research topics like conspicuous consumption and materialism (Arndt et al. 2004b). These studies broadly show that death saliency can precipitate forms of materialism. However, if death anxiety (DA) could be considered as a new variable in materialism, then much remains to be known about the strength, nature, and consequences of this relationship.

Conceptually and empirically, DA has typically been considered as a psychological state. Although Kasser and Sheldon (2000) demonstrated that materialism can be enhanced when a mortality related situation is induced in individuals, it is still not clear that DA, as a trait, can be a good predictor of materialism. In addition, Richins and Dawson's (1992) values approach to materialism, while it has received considerable empirical support in several different contexts, has not been tested in relation to DA. In their approach, materialism is characterized as a three dimensional construct with happiness, success, and centrality as the three values dimensions.

Finally, while DA and materialism have been examined together, as have materialism and quality of life (QOL) (see for example Arndt et al. 2004a; Rindfleisch and Burroughs 2004), the relationship between the three concepts simultaneously has not been tested. Is there a direct or indirect relationship between DA and quality of life? Could materialism be considered as a whole or partial mediator between DA and quality of life? Questions like these remain to be answered. The purpose of this paper is to examine the three constructs in a single structural equation model to determine their direct and indirect relationships. We will first examine DA and its related coping behaviors and then propose hypotheses relating the three constructs.

## The Concept of Death Anxiety

Since the first studies carried out by Feifel (1995), more than a thousand papers have dealt with the definition, causes, and behavioral consequences of DA. For instance, the two American journals, *Journal of Death and Dying: Omega* and *Death Studies* are entirely dedicated to this topic. Considering the huge volume of available literature about DA, this field of study is very important in thanatology. From the various definitions and reviews extant, we will first introduce the primary characteristics of DA, and then we will offer a working definition of the concept as used in this paper. This is not with the intention of providing a unifying definition, but to provide clarity within the discussion that follows.

While many authors qualify DA as an emotional reaction, Neimeyer (1994) is more precise and defines DA as a set of attitudes held by a person faced with death. The attitudes are characterized by negative feelings such as fear, anxiety, and discomfort. One should note that the concept currently includes a range of emotional reactions of varying intensity. More recent attempts to define DA refer to anxiety about the idea of a state during which the self does not exist (Tomer and Grafton 1996).

Dimensionality of the construct is also at issue. While the first studies introduced DA as a one dimensional construct, attempts are now made to distinguish between several sub-dimensions (see review by Neimeyer 1997-1998). Neimeyer (1994) suggests that, while an overall anxiety about the idea of ceasing to be is likely, anxiety can be broken down into several sub-dimensions depending on the type of death-related thought (destruction of the body, physical and mental condition, etc.) upon which one is focused.

The nature of DA is also an unresolved issue. DA could be considered either as a state or as a trait. Dickstein (1972) and Neimeyer (1994) consider it as a personality trait that can slightly change according to one's position in the individual life cycle. The considerations mentioned above led us to define DA operationally as a set of negative emotional reactions of variable intensity induced by the idea that the self does not exist (Urien 2003; Urien 2007).

## Variables Affecting Death Anxiety

Everyone may experience DA, but to varying degrees. Many studies have tried to determine the socio-demographic and psychological profile of persons who show a more or less anxious tendency when confronted in some way with death. Pollak (1980), in a review of the literature, tried to structure the studies related to DA and highlight the important contradictions in the results.

Contrary to what one might intuit, however, death awareness and its related anxiety are not restricted to the elderly. The first studies on DA had been based on the assumption that the elderly, who are approaching the end of their lives, feel more anxious about death. This assumption has been called into question by various empirical studies (Rigdon et al. 1979). This prompted Gesser et al. (1987) to propose a nonlinear relationship between age and DA. Other studies have shown that older adults are less concerned about death than other ages (Neimeyer et al. 1988; Neimeyer and Van Brunt 1995), and anxiety becomes more stable at the end of life (Fortner and Neimeyer 1999). The interpretation of this result is still open. One of the suggested explanations is based on the psychosocial theory by Erikson (1963). This states that, over their lives, people progress through a series of stages, or crises. By the end of their lives, throughout the last stage, the elderly can attain ego

integrity in the acceptance of their own deaths. But this is only a tendency. Indeed, individual differences do exist inside this age group depending on whether the retrospective vision of one's life focuses on missed opportunities and numerous failed objectives or leads to the conclusion that life was rich and full with few regrets.

Culture and religion can also affect DA. Cross-cultural empirical studies, focusing on the comparison of Western and Eastern cultures (mainly Chinese, Malayan, and Indian cultures) show that the Western cultures are generally more anxious than the Eastern cultures (McMordie and Kumar 1984; Schumaker et al. 1991; Westman and Canter 1985). An important explanation can be found in the systems of Eastern religious beliefs. Buddhism and Hinduism are examples of religions beginning with the precept that the most effective manner to overcome death is to accept it as the fist element of life (Schumaker et al. 1991; Weisz et al. 1984). However, beyond the religious confession, the role held by religiosity appears also important. A comparative study (Schumaker et al. 1991) shows, paradoxically, that the Japanese (Eastern culture) appear overall more anxious about death than Australians (Western culture). One possible explanation is that the intensity of beliefs and religious practices is particularly low in Japan.

## Coping Behavior and Death Anxiety

We now turn to the behavioral mechanisms involved in the adaptation to DA. When individuals are confronted with the idea of their own death, various theories have shown that they develop means through which the preservation of the self ensues. The means can be direct, taking the form of physiological necessities, and/or indirect, taking the form of symbols. Only the symbol forms have been the subject of investigations by researchers in DA. In this respect, two major theoretical consequences have resulted. The first was the development of Terror Management Theory (TMT) (Solomon et al. 1991) which deals with self-esteem and faith in a cultural worldview. The second is evidenced by the development of several theories dealing with the extended self and generativity.

## Terror Management Theory: A Broad Outline

Related to Becker's (1973) earlier theory of the denial of death, TMT constitutes one of the main psychosocial theories published in the past fifteen years. First identified by Greenberg, Pyszczynski, and Solomon (1990; 1992), this theory states that DA is the emotional manifestation of the fundamental instinct of self-preservation. Preservation of the self may be fulfilled through direct means (e.g., remaining healthy, avoiding bad food), but also, and more importantly, through symbolic means related to the individual's culture. To be more precise, there are two symbolic and closely linked self-preservation mechanisms. The first is unfailing support of the worldviews and values of one's culture, and the second is increasing one's self-esteem–a goal which may be reached by adopting culturally valued behaviors.

While culture can offer immortality through religion, it also contributes to creating a cultural framework or "worldview" composed of values clearly identifiable by individuals. Indeed, faith allows us to feel at one with other people from the same culture, and this makes us feel like we belong to a structure larger than ourselves. As for adaptation grounded on self-esteem, the more individuals subscribe to and respect the values of their culture, the more their self-esteem increases and the less anxious they feel about their own deaths. Experimental studies have shown that behavioral adaptation can lead, among other things, to materialism, conspicuous consumption, and greed. Of these, materialism is the adaptive behavior upon which the present study is focused.

Regarding materialism as an adaptive behavior, Arndt et al. (2004b) concluded that, after the terrorist attacks of September 11, 2001, Americans started buying more houses, cars, electrical appliances, furniture, etc. This resulted in an increase in annual consumer spending of 6% between October and December of 2001. Data analyzed on the basis of Terror Management Theory showed that, following the attacks, Americans had to come to terms with death saliency that was subtly present in the fringes of their consciousness. To do this, they needed to increase their social standing within their own culture by behaving in agreement with cultural values such as materialism, that is, according to Bredemeyer and Toby (1960) and Fromm (1976), a value strongly anchored in the American culture. Such behavior can enhance self-esteem and relieve DA by engendering a kind of symbolic immortality (Tomer 1994).

To test this notion, Mandel and Heine (1999) found a higher interest in the purchase of luxuries under mortality salience conditions, and Kasser and Sheldon (2000), demonstrated that individuals with enhanced mortality salience expected more material wealth. Money itself, far from being considered in its utilitarian role as a means of exchange, would constitute "a new ideology of immortality" (Solomon et al. 2003). Arndt (2004b) demonstrated that a situation with mortality salience enhanced individuals' greediness for money. Kasser and Sheldon (2000) and Dechesne et al. (2003) similarly demonstrated that respondents under the mortality salience condition developed greediness toward money. According to Arndt et al. (2004b), money, and its associated possessions, provides a means for humans to distance themselves from the realization that they are destined for death. This suggests that death anxiety could intensify materialistic desires in people for whom such material pursuits are a salient barometer of self-worth.

Thus, the evidence extant suggests that there is a direct link between DA and materialism in the sense that material acquisitions might increase security of individuals by providing answers to their existential insecurity and sense of mortality. By behaving according to their cultural worldview, people have a feeling of comfort and security in daily life, and the accumulation of possessions, which will live on after one's death, allows the individual to live on through them. It is worth noting that humanistic theories also suggest that people focused on making money and amassing wealth try to overcome feelings of insecurity. As argued by Kasser and Sheldon (2000), Maslow believed that security and safety needs concern an avoidance of harm and danger. These are concepts associated with death buttress.

## Materialism and Quality of Life

Arndt et al. (2004b) also suggest that when materialism is activated as a dominant cultural worldview at the expense of intrinsically oriented goals, individuals' assessment of their personal well-being is diminished. This is consistent with a significant amount of research suggesting similar consequences amongst high materialists. Belk (1985), for example, found that the traits of possessiveness, envy, and non-generosity are negatively correlated with satisfaction and happiness in life. Richins and Dawson (1992) found that materialism was negatively related to satisfaction with income, family life, and life as a whole. They also found a negative correlation between materialism and self-esteem. Sirgy's (1998) reasoning about this result is that materialistic people tend to engage in upward social comparisons involving remote referents who have a high standard of living. This leads to dissatisfaction with their own standard of living that spills over to cause dissatisfaction with life in general. As a result, people motivated by extrinsic goals (finan-

cial success, social recognition, and appealing appearance), rather than intrinsic ones (affiliation, community feelings, etc.) experience lower perceptions of well-being.

Numerous studies have confirmed the potentially negative consequences of materialism and Mick (1996), as a result, has labelled materialism a "dark side" variable. It has also been argued that the consequences of materialism extend beyond the individual and impact society as well (Bredemeier and Toby 1960). Burroughs and Rindfleisch (2002) argue that materialism stands in opposition to collective oriented values, and that those who have collective values will experience diminished perceptions of well-being. Kahle, Beatty, and Homer (1986) found, for example, that materialists consider personal financial security an important value and interpersonal relations as less important.

Thus, we may be able to distinguish between two types of subjective well-being, or QOL. One relates to aspects of well-being that affect individuals directly and a second that affects them indirectly through their community. These are similar to what Sen (1999) refers to as growth led (economic) and support led (cultural) development. He argues that the latter is a necessary condition for the former to be effective. These characterizations of DA, materialism, and QOL lead to the following set of hypotheses on the relationship between the constructs.

H1: Death anxiety is positively related to materialism. As DA increases, measures of materialistic values will increase.

H2: Materialism is directly related to QOL. Specifically, materialism is negatively related to both personal well-being and social well-being.

H3: Social well-being is positively related to personal well-being.

## METHODS

### Sample and procedures

This study was carried out on convenience sample of American students in a large public university. The final sample size was 283. The sample was 41% female with an average age of 20.3 and 40%. The student sample was considered appropriate here for two reasons. First, death anxiety, materialism, and quality of life are pertinent concepts for young adults. Second, this approach also allows for control of the possible influence of age differences. The questionnaire was distributed and completed in class, and all participation was voluntary.

Following the procedures set forth by Anderson and Gerbing (1988), we tested each measurement model independently before testing the causal model. Thus, for each scale an exploratory factor analysis (EFA) was first carried out, and then a confirmatory factor analysis (CFA) was performed. As fit criteria we used the comparative fit index (CFI), Bollen's incremental fit index (IFI), and the root mean square of approximation (RMSEA).

### Death Anxiety Scale

With the aim of better understanding individual differences in DA together with their causes and consequences, DA and related scales have been developed over the last decade by researchers such as Neimeyer (1994). For example, the Death Concern Scale (Dickstein 1972) is composed of 30 items and two dimensions: a dimension representing the conscious contemplation of death and a second dimension representing a negative evaluation of the first. However, only the second factor is regarded as specifically characterizing DA. The first dimension does not correspond to a negative emotional reaction toward death but to the conscious thoughts of the

first. In an analysis of this scale, Klug and Boss (1976) showed that it could be reduced to 14 items, and the factor relating specifically to DA consisted of 5 items. Urien (2001), using CFA, confirmed that the five items found by Klug and Boss (1976) composed a factor relating to DA. It is important to add that DA, as measured by these five items, is considered here to be a general measure. This short version of the DA scale was used in the final questionnaire with three additional buffer items to reduce response bias. Results of the CFA for this DA scale indicated that the uni-dimensionality of the short scale was supported. The fit statistics were all well above the cut-off scores suggested by Hair et al. (1998) with CFI=.99, IFI=.99, and RMSEA=.057. The items all loaded significantly on the single dimension intended with all factor loadings above .5. Coefficient alpha for the scale was .85 indicating high reliability.

### Materialism Scale

Materialism has been argued to be a personality trait (Belk 1985) or values related to material goods (Richins and Dawson 1992). Measurement scales have been developed for both perspectives, but the approach most frequently taken is that materialism reflects a set of values. Richins and Dawson (1992) developed and validated a measurement scale, called the material values scale (MVS), that has been validated and used extensively for the last decade. Richins (2004) also developed a short form of the MVS that was used in this study. It contains nine items used to measure each of three constructs, success, happiness, and centrality.

CFA of the MVS scale indicated that the *a priori* dimensions were supported. The fit statistics for the three factor model were CFI=.98, IFI=.98 and RMSEA=.051 which were all well within the cutoff scores suggested by Hair et al. (1998). The items all loaded significantly on the dimensions intended with all factor loadings above .5. Coefficient alpha for the sub-scales were .82 for success, .68 for centrality, and .83 for happiness. In addition, similar to the original scale, the correlations between the dimensions were significant indicating the possibility of a second order factor model. A second order model was tested and found to satisfy all fit criteria as well. Thus, materialism was entered into the structural equation model as a second order factor model with three first order factors.

### Quality of Life Scale

For purposes of measuring individual perceptions of QOL, a variation of the Personal Wellbeing Index (PWI) was used. The scale contains eight items measuring different domains of well being. One of the items is a measure of overall satisfaction with one's life. In this application, a seven point Likert scale was constructed to be consistent with the rest of the items in the questionnaire.

While the PWI is typically used as a single dimension with summated ratings, the instrument was subjected to factor analysis and yielded a two factor solution with three items measuring social well-being (safety, security, and community) and five items measuring personal well-being (overall, health, standard of living, achievement, and personal relationships). The two factor model was subjected to confirmatory factor analysis and found to satisfy all of the fit criteria specified with CFI=.96, IFI=.96, and RMSEA=.074. Individual items loaded significantly on their respective latent constructs with all factor loadings above .5. Coefficient alpha for the two sub-scales were .80 for personal QOL and .69 for social QOL. Thus, for the QOL measure, a two dimensional construct was used with the first dimension measuring personal QOL and the second measuring social QOL. These two dimensions are supported by Sen (1999) who argues that that there are two paths

to enhancing one's QOL. These roughly equate to the personal and social dimensions of QOL used here. The rationale is that before one can be confident of their personal well-being, there must be social institutions that offer protection for both the individual and their material assets. Thus factors such as community and safety precede personal well-being.

## CAUSAL MODEL

The proposed causal model, presented in Figure 1, was tested in the final phase of the study. In the proposed model, it was hypothesized that DA would have a direct influence on materialism. Moreover, as supported in the literature, we hypothesized a path between materialism and the two dimensions of quality of life: a path from materialism to social quality of life and another path from materialism to personal quality of life. In addition, the relationship between DA and materialism was hypothesized to be positive. A direct relationship between materialism and QOL was also hypothesized, but these relationships were hypothesized to be negative. The structural model was tested for overall fit, and the results were acceptable with CFI=0 .95, IFI=0.95 and RMSEA=0.048. The analysis of the causal model partially confirmed the hypotheses established. The paths from DA to the second order materialism factor, from materialism to personal quality of life, and from social quality of life to personal quality were all significant. However, the path from materialism to social quality of life was not. In addition, the path coefficients, shown in Figure 1, were all in the predicted directions. The path from DA to materialism was positive, from materialism to personal QOL was negative, and from social QOL to personal QOL was positive. The exception to the hypotheses was, again, the path from materialism to social QOL which was negative as predicted, but not significant.

Finally, to know whether materialism could be considered as a mediating factor between death anxiety and the different factors of quality of life, as suggested by Baron and Kenny (1986), we first used the Lagrange multiplier test to determine if there was a direct relationship between death anxiety and quality of life. Mediation refers to a process by which an independent variable exerts influence on a dependent variable through an intervening variable, or mediator. The first condition indicating a mediation relationship is that the independent variable has a significant effect on the dependent variable. The results indicated that the univariate increment of the Lagrange multiplier test was not significant. Because the first condition was not satisfied, materialism could not be considered as a mediator but only as an intermediate variable between death anxiety and quality of life.

## SUMMARY AND CONCLUSIONS

Researchers are consistently seeking new and more complete explanations for existing consumer behavior. Materialism, as a type of consumer behavior, has received significant attention as a part of that agenda. Within the study of materialism, multiple perspectives have been incorporated including the negative consequences of materialism *per se*, the antecedents of materialism, the social and personal outcomes of materialism, and, more recently, the positive personal attributes of materialism. One of the recently introduced constructs considered an antecedent of materialism is death anxiety. It was argued that, because of existential difficulties with death, consumers might adopt consumption strategies that attempt to circumvent their inevitable demise. Growing evidence suggests that this might be the case as DA appears to increase certain aspects of materialism.

Another research stream suggests that materialism as a mode of consumption behavior has consequences for individual percep-

tions of subjective well-being. Substantial research has address this issue and found fairly consistently that, while consumers believe that increasing their material possessions will enhance their perceptions of well-being, quite the opposite appears to be the case. Those who believe in the positive relationship between material possessions and QOL seem to be disappointed with their lives in general. Thus, the ideology of consumption suggesting that increased level of material possessions will lead to happiness, is increasingly called into question.

Taking the above results together suggests a causal sequence linking DA, materialism, and QOL. The purpose of this paper was to examine this causal sequence empirically. The results of the study were consistent with previous research on DA and materialism within the US context. But within this research, DA and materialism were considered to be durable dispositions (traits or values). Individuals who experience higher levels of DA showed higher tendencies toward materialism as measured by a reduced form of the MVS. Because the results of the study were consistent with the limited research linking DA and materialism within the US context, this research adds to our knowledge of the relationship. However, we have to be cautious about the conclusions. Although mortality salience situations increase as we age because, as we get closer to our own death, the deaths of relatives (family, friends, etc.) tend to be more frequent, it does not necessarily mean that as we get older, we are more materialistic. Actually, Belk (1985) demonstrated that, as we get older, products and status possessions become less important to our self-image. Rindfleisch and Burroughs (2004) call for further investigation of the discrepancy between TMT concepts and materialism empirics. One possible explanation for the discrepancy is that death anxiety is considered a personality trait in the present study. And many previous empirical studies have shown that death anxiety is somewhat lower on average in senior citizens because of increases in generativity. Then, the more we age and approach death, the less we fear death, and consequently, materialistic tendencies are reduced. Indeed death anxiety, as a trait, slightly and slowly decreases and thus moderates the causal link between a mortality salience condition and materialistic tendencies. As for the link between DA and QOL, the effect is indirect. The effect of DA on QOL was only through the materialism construct. Consequently, materialism could not be considered as a mediator but only as an intermediate variable.

Another contribution of the research relates to the conceptualization and assessment of QOL. In the measure of QOL, it was found that there are two types of QOL, personal and social. While it was hypothesized that materialism would be negatively related to both personal and social QOL, this was not the case. As with previous research, the path from materialism to personal QOL was negative, but the path to social QOL was not. This suggests that individuals who are materialistic are less satisfied with their personal lives as a whole, and this is consistent with previous research. Materialism did not, however, have an effect on social QOL. This suggests that one's perception of community, safety, and security are not directly related to materialistic values. Rather, this aspect of QOL is rooted in other aspects of life than possessions. Consistent with the theory proposed, however, social QOL was directly related to personal QOL.

It was argued that an important character of personal QOL is its security. It is well known that in competitive market societies such as the US, one's well-being is never assured. The vagaries of the market can modify one's opportunities and fortunes very quickly, and the inhabitants of such societies are well aware of this. Because of this character of market societies, feelings of insecurity can rise even as one's success increases. Fromm (1976) addresses

**FIGURE 1**
Proposed Model of Death Anxiety, Materialism, and Quality of Life
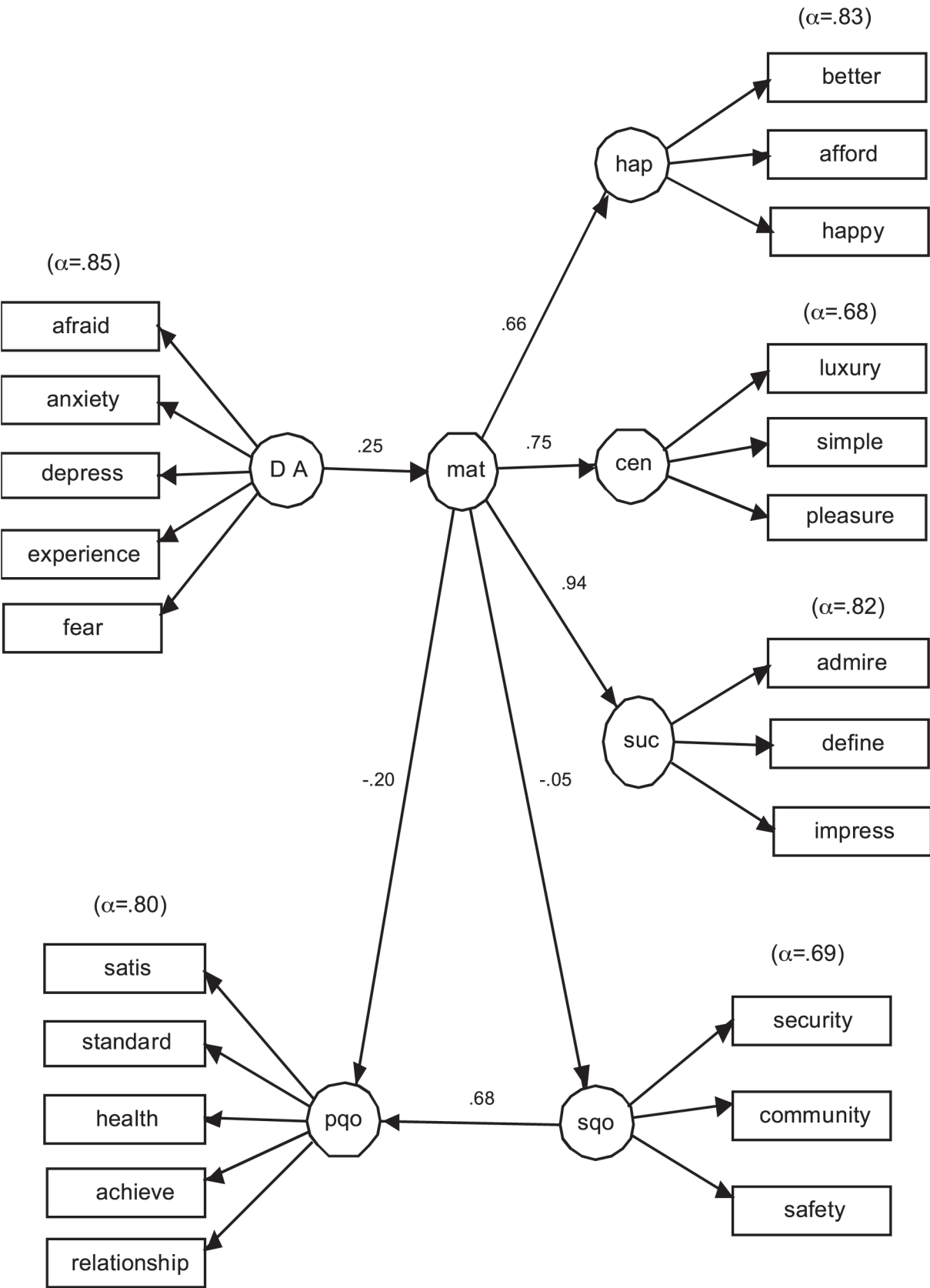
this issue directly in this notion of "characterological having" in which individual well-being is tied directly to what is possessed. While materialism can serve to reduce perceptions of subjective personal well-being, increases in social QOL, unrelated to materialism, increase feelings of security. This yields the paradoxical condition alluded to by Fromm (1976) who argued that, in competitive market societies, individuals can only become secure in their insecurities.

What the results of this study suggest is that among the many factors that may support materialism, DA is a contributing factor in the US. This belies practical philosophy in market societies. While individuals pursue material possessions with almost religious fervor (Bredemeier and Toby 1960), that which they really seek escapes their grasp. The suggestion that materialism has become a religion in the US, takes on enhanced meaning in this context.

The conflation of standard of living with QOL and the juxtaposition of both with immortality suggests that consumption has, in some small sense, taken on the role of religion as an intervention between life and death.

While the conclusions for the present study are only tentative because of its exploratory nature, they are consistent with both previous empirical research and conceptual models of materialism going back more than forty years. The study is certainly limited by the student sample and even more so by the single culture examined. But the results suggest that there is sufficient justification to pursue further research in different ways : 1) While it has been shown that materialism could be an adaptive reaction to a mortality salience condition, it should be very interesting to differentiate the nature and the length of mortality salience. Hence it would be useful to distinguish "death warning" as opposed to "death sentence" or "pending" and "terminal" death. Those differences could help to explain other contradictory results linking death anxiety to more pro-social behaviors demonstrated by financial support for charities (Jones et al. 2002). 2) Finally, a more qualitative approach underlain by Consumer Culture Theory could be used with more representative samples and multiple cultures. On this last point we have seen that some Eastern cultures could be less anxious facing death. In that way, it would be interesting to study the concept of "Death Acceptance" (Wong et al. 1994) and its relationship to Materialism and Quality of life.

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# Factors Influencing Consumers' Evaluation and Adoption Intention of Really-New Products or Services: Prior Knowledge, Innovativeness and Timing of Product Evaluation

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## ABSTRACT

This paper empirically examines factors influencing consumers' evaluation and adoption intention of really new products. Combining construal level theory with literature on new product evaluation and adoption, we found an asymmetry in the conditional importance of benefit and cost, both as mediators and as antecedents of adoption intention. As mediators, consumer innovativeness does not affect perceived cost, but leads to greater perceived benefit and greater adoption intention. As antecedents, cost is important only if the adoption is highly beneficial, but benefits remain important regardless of cost. Finally, we found that the salience of costs increases as the temporal distance decreases, whilst the salience of benefit remains constant. We discuss implications for marketing of really new products.

## INTRODUCTION

A number of individual, social, and product factors have been shown to be related to the adoption of new products (Rogers 1995; Gatignon and Robertson 1985). However, most existing studies in marketing have focused on incrementally new products, examining the effects of adding new product features to existing products on product evaluation or brand choice (see Nowlis and Simonson 1996; Brown and Carpenter 2000; Mukherjee and Hoyer 2001). Until recently, we have little knowledge of the higher risk, higher reward realm of really-new products (Moreau, Lehman, and Markman 1997; Urban, Weinberg, and Hauser 1996). Really new products are important sources of growth for many companies. From a consumer perspective, really new products are innovations that defy straightforward classification in terms of existing product concepts (Gregan-Paxton and Roedder John 1997; Moreau, Markman and Lehman 2001). As Hoeffler (2003) has shown, consumer uncertainty can make pre-purchase consumer tradeoffs highly labile, making it difficult for firms to estimate adoption intention for really-new products using conventional methods.

This paper intends to fill this important gap by investigating a number of personal, situational and product factors that may particularly affect adoption intention of really-new products or services. Firstly, the adoption intention of a new product is predicted to differ systematically between consumers with varying level of product knowledge, consumer innovativeness and perceived newness. Secondly, really new products or services promise greater benefits (i.e. desirability) than incrementally new products or services, but consumers are uncertain of the utility of those benefits and anticipate that they will have to change their behavior to attain potential benefits (i.e. feasibility) (Hoeffler 2003; Alexander, Lynch, and Wang, in press). Drawing on Libermann and Trope (1998)'s theory about differences in mental representation of the desirability vs. feasibility of an action in the present vs. the future, we examine the salience of benefit and cost in consumers' evaluation of really new products or services along varying temporal distance (i.e. whether they are evaluating a new product for an immediate adoption or a future adoption).

We use a new mobile feedback service as the stimuli for our study. We chose the mobile feedback service because it was a really new service, and it was not yet available in the market when the field studies were carried out, so the condition of high uncertainty and the manipulation of time frame would be assured. In Study 1, we tested the effect of product knowledge, innovativeness and perceived product newness on adoption intention either directly or mediated by perceived benefit and cost. In Study 2, we tested the relative effects of perceived benefit and cost of the new service on adoption intention, and in study 3, we tested the differential effect of temporal distance (i.e. in six months vs. tomorrow) on the salience of benefit and cost considerations. We find:

1. The effect of consumer innovativeness on adoption intention is significant both directly and indirectly via perceived benefit; whereas the effect of product knowledge on adoption intention is significant only indirectly via perceived newness.
2. The effect of perceived newness on adoption intention is significant.
3. The effect of perceived benefit on adoption intention is significant; whereas the effect of perceived cost on adoption intention is only significant when perceived benefit is relatively high.
4. The greater the temporal distance from product evaluation to actual adoption, the greater the effect of perceived benefit and the less the effect of perceived cost on adoption intention; whereas the smaller the temporal distance from product evaluation to actual adoption, the greater the effect of perceived cost on adoption intention.

## PRIOR KNOWLEDGE, CONSUMER INNOVATIVENESS, PERCEIVED NEWNESS AND ADOPTION INTENTION OF REALLY NEW PRODUCTS

Consumer product knowledge has two major components: familiarity and expertise (Alba and Hutchinson 1987). Familiarity is defined as the number of product-related experiences that have been accumulated by the consumer. Expertise is defined as the ability to perform product-related tasks successfully. The perceived newness of a product service refers to its originality, novelty and uniqueness as perceived by individuals (Dahl, Chattopadhyay, and Gorn 1999). In this paper we intend to study the links between product knowledge, perceived newness and adoption intention of really new products. Really new products are innovations that defy straightforward classification in terms of existing product concepts and are unrelated to direct or in-direct consumer experiences (Gregan-Paxton and Roedder John 1997). Therefore, the familiarity element of product knowledge is likely to be extremely low for all consumers (including both experts and novices). The expertise element of product knowledge on the other hand is expected to assist consumers in more accurately assessing the novel functionality and uniqueness of a really new product. Therefore, we reason that individuals with great product knowledge will be able to understand and appreciate better the newness of a really new product compared to those with little product knowledge. We hypothesize that:

*H1*: Product knowledge is significantly and positively related to perceived product newness.

*H2*: Perceived product newness is positively and significantly related to adoption intention.

Research on consumer innovativeness focuses on the characteristics that differentiate consumers by the speed or willingness with which they adopt new products (Hirschman 1980). Drawing on Manning, Bearden and Madden's (1995) work, consumer innovativeness in this paper refers to the desire to seek out new product information and new product experience. Really new products create new product categories, consumer learning involves developing preferences for new products that are unrelated to direct or indirect consumer experience (Robertson 1971; Nabih, Bloem and Poiesz 1997). Therefore we hypothesize that:

*H3*: Consumer innovativeness is positively and significantly related to perceived benefit.

*H4*: Consumer innovativeness is positively and significantly related to adoption intention.

## PERCEIVED BENEFIT, PERCEIVED COST AND ADOPTION INTENTION OF REALLY NEW PRODUCTS

Consumers who buy a really new product or service expect that the benefit they receive from the product or service exceeds the cost of obtaining the new product or service. When evaluating a new product or service for possible adoption, consumers weigh the benefit against the cost of adoption, and if the perceived benefit overweighs the perceived cost, consumers are more likely to adopt. However, we know little about the specific effect of benefit-cost interaction on consumers' adoption intention.

Construal level theory (CLT) suggests that the costs of adopting a new product or service (e.g. monetary cost, learning effort, time commitment) are construed as low-level, subordinate aspects of the new product or service, whereas the benefits of adopting a new product or service (e.g., that which enables one to do new things) are construed as high-level, superordinate aspects of the new product or service. The subordination of low-level construal aspects to high-level construal aspects entails an asymmetry in the conditional importance of these two types of aspects (Eyal, et al. 2004). This asymmetry suggests that the importance of such low-level aspects depends on the value of the high-level aspects more than the importance of the high-level aspects depends on the value of the low-level aspects. For example, when considering the possible adoption of a new product or service, feasibility considerations are important only if the adoption is desirable, but desirability remains important whether feasibility is high or low. Desirability of a new product or service would thus result from the perceived benefits of adopting the new product or service, whereas feasibility would be derived from the perceived costs of adopting the new product or service. Thus, given a context of a really new service to be evaluated for possible adoption, it is hypothesized:

*H5*: Perceived benefit is significantly and positively related to adoption intention.

*H6*: Perceived cost is significant and positively related to adoption intention only when perceived benefit is relatively high.

## TEMPORAL DISTANCE AND TIME-DEPENDENT CHANGES ON THE RELATIVE EFFECTS OF BENEFIT AND COST ON ADOPTION INTENTION

In deciding to adopt a new product or service, individuals often construct arguments in favour of the action as well as arguments against the action. Such arguments may be made a short time or a long time before actually performing the action as well. What is perhaps under-emphasized in the new product/service adoption literature is how time may systematically influence how individuals value the worth of losses and gains in a new product/service evaluation context. For example, in one conceptualization of a potential systematic temporal influence, the time-and-outcome valuation (TOV) model put forth by Mowen and Mowen (1991), valuations occurring long before an outcome are hypothesized as leading to psychological valuations of gains that are greater than psychological valuations of losses. Similarly, CLT suggests that, because *benefits* constitute a higher level of construal than *costs*, the temporal distance from a future action should differentially influence the salience of benefit and cost considerations. More specifically, it predicts that benefits should be relatively more salient than costs in decisions regarding an action occurring in the distant future relative to the same action occurring in the near future. Because distant future actions are construed at a higher level than are near future actions, benefits become more salient as temporal distance from the action increases, whereas costs become more salient when temporal distance decreases. Therefore, when people think about the possible adoption of a new product or service in the distant future—say, in six months' time, they tend to construe the action of adoption at a higher level, that is, at the level associated with *benefits*, which in turn should positively affect their adoption intentions. However, if individuals think about the possible adoption of a new product or service in the very near future—say, tomorrow, they tend to construe the action of adoption at a lower level, that is, at the level associated with costs, which in turn should adversely affect their adoption intentions. Therefore, in the context of a really new service to be evaluated for possible adoption, it is hypothesized:

*H7*: For those who consider adopting a new service in six months' time, the effect of perceived benefits on adoption intention will be greater than the effect of perceived costs on adoption intention.

*H8*: The effect of the perceived benefit on adoption intention will be greater among individuals considering acquiring a new service in six months' time than among individuals considering acquiring the new service tomorrow.

*H9*: The effect of perceived costs of adopting a new service on adoption intention will be greater among individuals considering acquiring the new service tomorrow than among individuals considering acquiring the new service in six months' time.

A conceptual model of summarizing the research hypotheses concerning the factors influencing consumers' product evaluation and adoption intention of really new products or services is shown in Figure 1.

## EMPIRICAL STUDIES METHODS

### Samples and procedures

In order to test our research hypotheses, we obtained permission from a new mobile feedback service provider in the UK to use

**FIGURE 1**
Model Representing Hypothesized Relationships among Key Variables
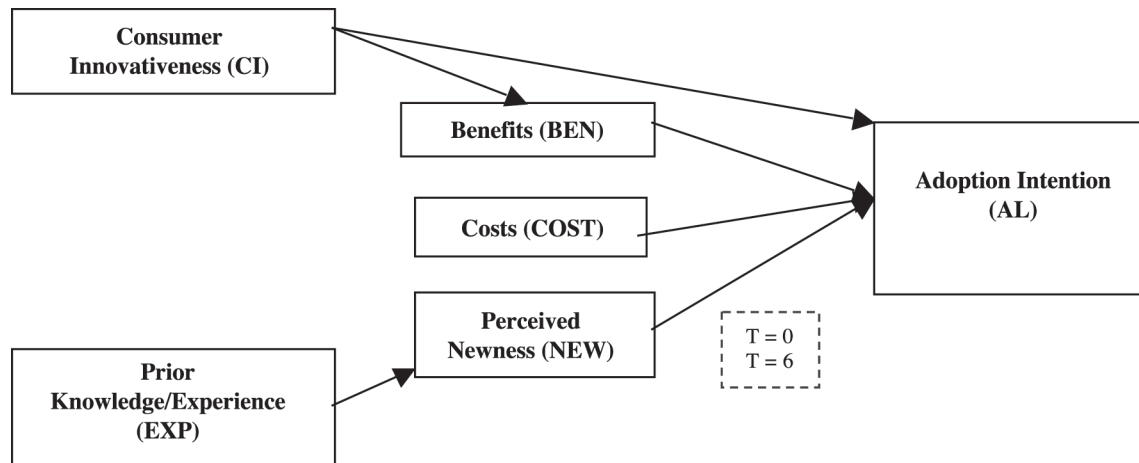


the company's newly developed mobile feedback service as the stimuli for our study. We chose the mobile feedback service because it was a new service not yet available in the market, so the manipulation of time frame would be assured. In the study, 220 undergraduate students enrolled in a year-long marketing module were then invited to participate in a survey in which they were given a 230-word description of the new service and were then asked to evaluate the service for possible adoption as well as provide some personal information. The description of the really new service is shown below:

"Collecting feedback from customers, employees and general publics on issues of importance such as service quality, customer satisfaction, are essential for organizations and government bodies. However, with today's busy lifestyle, collecting feedback from a large group of people has become increasingly difficult and challenging. The Mobile Feedback Service makes it easier for people to actively participate in group surveys using their existing mobile phone whenever and wherever they are. That is, the Mobile Feedback service is a way for you to be an active participant in two-way mobile feedback. It enables you to easily give your on-the-go feedback to anyone asking for your input or comments regarding any activity in which you are involved. Individuals (friends, associates, co-workers) can send to your mobile phone multiple-choice question surveys or open-ended question surveys, where you can then text your replies with minimal effort. Those initiating the surveys can then send to your mobile phone summaries of the collective feedback obtained from everyone participating. Of equal importance is the fact that the Mobile Feedback service allows you to create an initiate your own mobile feedback surveys at any time. That is, you can create surveys involving multiple-choice or open-ended questions and send the surveys to any number of individuals with whom you associate. As a result, those individuals can then easily provide you with "on-the-go" feedback that you can then review in summary form at any time".

Each survey participant was randomly assigned one of two conditions: a near term condition (i.e., tomorrow) or distant time condition (i.e., six months). Survey instructions therefore stated, "When answering the following questions imagine you will have the new service available to use *tomorrow*" or, alternatively, "When answering the following questions imagine you will have the new service available to use in *six months' time*." To encourage participation, a raffle ticket number was attached to each questionnaire, and there was a prize of £50 in cash given out to one lucky winner immediately after they completed the questionnaires. 178 usable questionnaires were returned, resulting in a response rate of 80.9%.

**Measures**

Where possible, existing measures were used for all variables of interest including the likelihood of adoption (AL), perceived benefits (BEN), perceived costs (COST), perceived product newness (NEW), consumer innovativeness (CI), and product knowledge (EXP). The survey instrument was pre-tested for face validity and reliability. The resulting items were measured on 7-point Likert scales. A summary of the constructs, measurement scales and sources is shown in Table 1.

All variables in the survey were operationalized using multi-item measures. To assess the reliability of the constructs, coefficient alphas were calculated for all variables. Correlations between items were examined for each construct in order to refine the scale further and ensure internal consistency and reliability. Thus, where appropriate, scale items were reduced where inter-correlation coefficients were relatively low and where construct reliabilities were improved by removing them. After refining the scales, co-efficient alpha estimates were calculated as 0.888 for AL, 0.812 and 0.764 for BEN and COST, respectively, and 0.69, 0.903, and 0.886 for NEW, CI, and EXP, respectively. Alpha levels for each of the factors exceeded the acceptance level of 0.7 (Nunnaly 1978). Hypotheses were subsequently tested by examining the association between these variables, where multiple regression analyses were performed using SPSS using data from the questionnaires either in combination, where all the data for the two time conditions (tomorrow and in six months' time) were used, or separately (split into two data sets based on the time condition) depending on the hypothesis under examination.

# RESULTS AND ANALYSIS

## Study 1: Prior knowledge, consumer innovativeness, perceived newness and adoption intention for really new products or services

To test H1, the effect of product knowledge (EXP) on perceived newness (NEW) was examined using combined data set. A significant association was found between EXP and NEW, with significance of 0.030 and an $R^2$ of 0.030. These findings support H1, where prior product knowledge is positively and significantly related to perceived Newness. To test H2, the effect of perceived newness (NEW) on adoption intention (AL) was examined using combined data set. A significant association was found between NEW and AL, with significance of 0.000 and an $R^2$ of 0.104. This supports H2, where perceived Newness of a product or service will positively and significantly influence its adoption intention.

To test H3, the effect of consumer innovativeness (CI) on perceived benefit (BEN) was examined using combined dataset. A significant association was found between CI and BEN, with significance of 0.022 and an $R^2$ of 0.034, which supports H3 as consumer innovativeness positively and significantly influences consumer's perceived benefits of the product or service.

To test H4, the effect of consumer innovativeness (CI) on adoption intention (AL) was examined using combined dataset. A significant association was found between CI and AL, with significance of 0.000 and an $R^2$ of 0.087. This also supports H4, as consumer innovativeness is positively and significantly of influence relative to likelihood of adopting the new product or service.

## Study 2: Perceived benefit, perceived cost and adoption intention of really new products or services

In testing H5, the effect of perceived benefits (BEN) on adoption intention (AL) was examined using the combined data set as well as the two separate data sets for each time condition. A significant association was found between BEN and AL in all three cases, with significance of 0.000 and an $R^2$ of 0.127 for the combined data (tomorrow and in six months' time), significance of 0.001 and $R^2$ of 0.142 for tomorrow, and significance of 0.002 and $R^2$ of 0.117 for the six months' time condition. These findings clearly support H5, where the level of perceived benefits has a significant effect on adoption intention of a new product or service.

In testing H6, the effect of perceived costs (COST) on adoption intention (AL) was examined based on the relative level of the perceived benefits (BEN). To do that, the data set was sorted based on the level of BEN, whereby the two extremes of high and low BEN were examined for their influence on the association between COST and AL. When perceived benefits (BEN) are relatively high, the effect of COST on AL was found to be significant at 0.017, with an $R^2$ of 0.153. However, when perceived benefits (BEN) are relatively low, the effect of COST on AL was found to be insignificant at 0.219, with an $R^2$ of 0.053. This finding supports H6, as it shows that, perceived costs have a significant effect on adoption intention when perceived benefits are relatively high; but perceived costs have an insignificant effect on adoption intention when perceived benefits are relatively low.

## Study 3: Temporal distance and time-dependent changes on the relative effects of benefit and cost on adoption intention of really new products and services

To test H7, the data for the distant future condition (six months' time) was analysed. Results of the regression analysis indicates that the effect of perceived benefits (BEN) on adoption intention (AL) in six months' time is significant at 0.005 relative to the effect of perceived costs (COST), which itself is insignificant at

0.484, and where there is an $R^2$ of 0.123 for the overall model. Thus, H7 is clearly supported where, for those who consider acquiring the new service in six months' time, the effect of perceived benefits is greater than the effect of perceived costs on adoption intention.

To test H8, regression analyses were run using the two separate data sets to compare the timing effect. The effect of perceived benefits (BEN) on adoption intention (AL) of a new product or service was significant for both the tomorrow and six months' time conditions (at 0.01 and 0.02). This result does not reflect a greater influence of perceived benefits on adoption intention among those individuals considering acquiring a new service in six months' time compared to those individuals considering acquiring the new service tomorrow.

In testing H9, regression analyses were performed using the two separate data sets for each time condition (tomorrow and six months time) to compare the influence of perceived costs on adoption intention. Results of the statistical analyses indicate that the effect of perceived costs (COST) on adoption intention (AL) is more significant for the tomorrow condition than the six months' time condition, with statistical significances of 0.020 and 0.156, respectively, and $R^2$ values of 0.069 and 0.026 for the tomorrow and six months' time conditions, respectively. These findings clearly support H9, where perceived costs affect adoption intention of a new service in the nearer than the distant future. The results are summarized in table 2.

# DISCUSSION

Numerous studies have examined how variations in personal characteristics such as prior knowledge and innovativeness or social interactions such as word-of-mouth can influence people's evaluation or prediction of the benefits of a new product or service (Rogers 1983; Moreau, Lehmann, and Markman 2001; Greg-Paxton and Roedder John 1997). These personal and social factors help to explain why some people may evaluate a new product or service more positively than others. Yet, a positive evaluation of a new product or service itself may not lead to actual adoption. Indeed, marketers of new products or services have long attempted to understand why, despite having indications of positive intentions to adopt, some individuals fail to turn their stated intentions into actual purchases at the time when the opportunity arises to acquire or use the new product or service.

By combining construal level theory with literature on new product evaluation and adoption, this research makes several contributions. First, it provides additional evidence for the effect of individual characteristics such as prior knowledge and consumer innovativeness on adoption intention of really new products or services. It also provides evidence that consumer innovativeness does not affect perceived cost, but it leads to greater perceived benefit and greater adoption intention. Put it differently, when evaluating a new product or service for possible adoption, cost is not an important consideration for individuals with high innovativeness trait. Secondly, it shows that there exists an asymmetry in the conditional importance of benefit and cost considerations for adoption intention. Our results show that, when considering the possible adoption of a new product or service, cost considerations are important only if the adoption is desirable (i.e. high level of benefit), but benefit considerations remains important whether cost is high or low. Thirdly, the salience of cost considerations is found to increase as the temporal distance to anticipated adoption action decreases, whilst the salience of benefit considerations remain constant.

These results are important to marketing strategists who analyse consumer behavior in an attempt to understand how benefit and cost are evaluated, and how timing of such evaluation may

**TABLE 1**

Constructs and Measurement Scales Used in Analyses

| Variable | Construct | Measurement Items (7-point scale used for each) | Scale Reliability | Measurement Scale Source |
|---|---|---|---|---|
| Newness | NEW | Compared to other services that are currently available, the new mobile feedback service that will become available (time condition) is… <br> 1. Usual        Unusual <br> 2. Unique       Ordinary <br> 3. Commonplace     Original | 0.69 | Dahl, Darren W., Amitava Chattopadhyay, and Gerald J. Gorn (1999) |
| Benefits | BEN | When I have the mobile feedback service available to use (time condition)… <br> 1. This service will offer me a number of specific benefits. <br> 2. This new service will provide me with many benefits. <br> 3. There will be clear and obvious benefits associated with this new service. | 0.812 | Hoeffler, Steve (2003) |
| Costs | COST | When I have the mobile feedback service to use (time condition)…. <br> 1. The new service is likely to involve considerable effort to learn how to use. <br> 2. The new service is likely to take a fair amount of time to learn how to use. | 0.764 | Hoeffler, Steve (2003) |
| Prior Knowledge/ Experience | EXP | 1. Rate your knowledge of mobile messaging <br> 2. Please describe your familiarity with mobile messaging <br> 3. Please rate your level of experience in using mobile messaging | 0.886 | Alba, Joseph W. and Wesley Hutchinson (1987) |
| Consumer Innovativeness | CI | Please indicate how well you agree with the following statements about yourself: <br> 1. I often seek out information about new products and brands. <br> 2. I like to go to places where I will be exposed to information about new products and brands. <br> 3. I like magazines that introduce new brands. <br> 4. I frequently look for new products and services. <br> 5. I seek out situations in which I will be exposed to new and different sources of product information. <br> 6. I am continually seeking new product experiences. <br> 7. I take advantage of the first available opportunity to find out about new and different products. | 0.903 | Manning, Kenneth C., Bearden, William O and Thomas J. Madden (1995) |
| Adoption Intention | AL | 1. How interested would you be in subscribing to the new mobile feedback service after it is available (time condition)? <br> 2. What is the likelihood that you will be one of the early subscribers of this new service after it is available (time condition)? | 0.888 | New scale specifically developed for the new mobile feedback service |

differentially affect adoption intentions and purchase actions. Understanding the factors that influence adoption intention for a new product or service can help marketers decide on the segmentation and positioning strategies and the timing of conducting effective market research studies and whether they may resort to time-based advertising strategies.

There are several limitations to this research. One of the main limitations is the data. While useful and benefiting from a high response rate, it uses a student sample and is based on a single product category, i.e. telecommunications service. Further research should extend the scope to studying several product categories, and should preferably include both really new products and incrementally new products to ascertain that the findings are generalizable in a broader context.

The single hypothesis rejected in the current research also opens the door for further examination of the relative strength and weakness of benefit measure in future research. Testing the benefit-temporal distance relationship using a different measure that ex-

**TABLE 2**
Summary & Validation of Hypotheses

| | Hypothesis | Support | Significance | $R^2$ |
|---|---|---|---|---|
| H1 | EXP-NEW | Supported | 0.030 | 0.030 |
| H2 | NEW-AL | Supported | 0.000 | 0.104 |
| H3 | CI-BEN | Supported | 0.022 | 0.034 |
| H4 | CI-AL | Supported | 0.000 | 0.087 |
| H5 | BEN-AL<br>Combined Data Set<br>At t=0,<br>At t=6 | Supported | 0.000<br>0.001<br>0.002 | 0.127<br>0.142<br>0.117 |
| H6 | COST-AL<br>When BEN is high<br>When BEN is low | Supported | 0.017<br>0.219 | 0.153<br>0.053 |
| H7 | BEN-AL<br>COST– AL<br>(At t=6) | Supported | 0.005<br>0.484 | 0.123 |
| H8 | BEN-AL<br>At t=0,<br>At t=6 | Rejected | 0.001<br>0.002 | |
| H9 | COST-AL<br>At t=0,<br>At t=6 | Supported | 0.020<br>0.156 | 0.069<br>0.026 |

poses the abstractness of the psychological value to consumers of perceived benefits may provide further insights in future temporal research on new service/product evaluation and adoption.

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# "Set the table": Women Communicating Status at Home

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## ABSTRACT

Why do women in Zagreb, Croatia set the table the way they do? In my work, the main assumption is that it is done in to makes legitimate women's claims of social status. Holt's work provides a guideline for researching this and relating it to consumer research on the social patterning of consumption (1998). Holt asks if Bourdieu's theories about consumption and class are transferable from one context to another (Bourdieu 1984; Holt 1998). My research takes theories of consumption developed in one context, the United States, and explores if they transfer to a different context, Zagreb, Croatia, using ethnographic research conducted in the fall of 2006 and the winter of 2007, to explore how women express status through social practices of consumption in an environment of changing gender dynamics.

## INTRODUCTION

Preliminary fieldwork in Croatia from 2002 to 2003 suggested to me that tableware has a specific meaning for women from different generations in Zagreb. Sunday is a day for rest, for hobbies, for visiting the countryside or walking in nature, for attending Mass, for being with family, almost always for going to mom's or aunt's house for lunch, or preparing that meal for the older generation. Over years of frequently visiting my aunt's house for lunch on Sunday, where the table always is covered with a tablecloth, for lunch, the tone when my aunt ate with my cousin and me and when my cousin and I ate alone was completely different. Not just because of the tone and topics of conversation would be different when the sixty year old aunt is present, but how the tableware framed the difference. When just my cousin, a single woman in her early thirties who lives at home, and I were eating lunch on Sundays, she served me soup from the same pot on the stove in which the soup had been prepared. It is easier. The stove is handy to the drawer with the spoons and the cabinet with the plates and bowls, and it can all be carried to the table at the same time. However, this would not do if her mother joined us. In that case, she took a porcelain soup tureen from the cupboard in the dining area, brought it to the stove, filled it, carried it to the table and placed it in the center, then carried the plates and soup bowls to the table, then the cutlery, and served us at the table. In other words, the social practices of using tableware in Zagreb are a consumer practice with a specifically gendered and generational meaning.

## THEORETICAL FRAMEWORK

Why do women in Zagreb, Croatia set the table the way they do? In my work, the main assumption is that it is done in a way that makes legitimate women's claims of social class status. Holt's work provides a guideline for researching this and relating it to consumer research on the social patterning of consumption (1998). Holt asks if Bourdieu's theories about consumption and class are transferable from one context to another, in this case from France to the United States, (Bourdieu 1984; Holt 1998). He argues that yes, they are, considering socio-cultural correction. My research makes the same move as Holt: it takes theories of consumption developed in one context, the United States, and explores if they transfer to a different context, Zagreb, Croatia.

The context of class and consumption Zagreb is different from the United States because of the mix of market and planned structuring from 1945 to 1991 and because of the rapid pace of change from 1991 to 1997 (Croatia was a republic of the Socialist Federal Republic of Yugoslavia from 1945 to 1991), presenting considerable contrasts to the United States. This research uses the same group of theories that argue social categories are related to consumption (Holt 1995). This research is concerned with the context transferability of consumer behavior theories of class as much as it is concerned with the tablecloths of women from three class positions in Zagreb (Wallendorf and Belk 1989).

One of the basic theories in culturally oriented consumer behavior research is that goods communicate status (Douglas and Isherwood 1979). Consumer research on status often assumes that the establishment of status is based on a male household representative (Coleman 1983). It is often defined by money: husband's employment means status (Coleman 1983). The establishment of status is male, related to employment and the public sphere. When women communicate status, it is implied they are communicating status someone else has established (Veblen 1899/1953: 30). Growing concern about this conception of status as only defined by men led to questioning of its assumptions. One reason for that concern has been changing demographics in the United States: increasing numbers of households are led by women (they are single or single heads of families) or women are primary breadwinners or contribute significantly to family income (Coleman 1983). The trend is similar in Croatia. There have been qualitative changes in understanding status as well: status is more than just VALS data or buying expensive goods, but what style is presented (Holt 1997). The time has come to re-think assumptions about gender and status. My research looks at status as something women can also establish and communicate through the tableware they bring into a marriage and/or acquire through the course of a marriage. That is, it sees the establishment and communication of status as a task for women.

The biography of goods, in this case tableware, tells also the story how social reproduction is organized within consumer culture (Kopytoff 1986). A special meaning of tableware comes from its movement through categories of time and place. It comes from the past through inheritance, it shows the family's status in the past compared to the present. Because cultural customs dictate the tableware will move towards female blood relatives and away from not males or women who married into the family, it connects past, present and future. If it is bought, the china or cutlery pattern represents a certain style. Its cost, quality and quantity (cutlery for four, six, eight, ten or twelve place settings) suggest affluence and status. Only women, their family and intimate friends come to the table to consume the tableware and the food. Prior research has considered consumption in the context of a small group of people, for example when exploring dispossession, but it has not explored the difference, if any, between why money is spent on private versus public display (Price, Arnould and Curasi 2000). McCracken argues, through historical research, that legitimating public claims of status is the task of household goods, especially in the context of social tensions (McCracken 1988). My research takes these assumptions into the homes of women in Zagreb to explore private spaces as a site of women's consumption. The way tableware is used connects people with consistencies and changes over time in the embodiment of class practices, not just for society in general, but more specifically for their family. For example, it means using a tablecloth at each meal or placemats. Thus, it is particularly important to look at the history of things as it is materialized in the lives of women involved in this research. It also requires a historical perspective on the context of this research, meaning looking care-

fully at what came before as a way of understanding the present (Scott, Chambers, and Sredl 2006).

Creating a middle class consumer culture was part of the effort to build socialism in Yugoslavia. It may seem like a contradiction to think of it that way. After all, the ideologies of state socialism focused on class and gender equality as well as on labor. Consumer culture tends to be thought of as part of class and gender inequality and the alienation of the laborer. These things are supposed to go with capitalism, consumer culture is supposed to go with capitalism. Yet that is just one way to look at consumer culture. And it is a view that is perhaps focused more on the conditions of consumer culture in the United States rather than on consumer culture as a phenomenon after World War II in Europe and in North America. Historians in Croatia, for example, point to the development of a consumer society in across western Europe after World War II, driven by rebuilding, the Marshall Plan, and the arrival of US companies. They argue that consumer culture in Yugoslavia from the mid 1950s on was part of that historical moment in Europe (Duda 2005). It was not a betrayal of socialist ideals. In fact, raising the standard of living of most citizens so they could enjoy a modern standard of living was in harmony with socialist ideas of class equality. Yugoslavia created a consumer culture within its own morality of state socialism (Sredl 2004).

No one would be surprised, however, to learn the new era meant the official end of old forms of social distinction, both their material and, for example, linguistic manifestations. Privately held assets from apartments to factories were nationalized. Titles of social rank to address other people no longer officially existed. Mr. and Mrs. became "*Drug*" and "*Drugarica*," or "Comrade" and "Comradese." It may seem more surprising, however, to consider that many social and business practices were re-introduced to fit the context of state socialist ideologies and the postwar context. For example, the government consolidated and nationalized the advertising industry into the Advertising Bureau of Croatia (OZEHA *Oglasni Zavod Hrvatske*) in 1945. In 1954, Interpublic opened an office in Zagreb. Etiquette guide books were printed in Zagreb starting in 1953. A well known book was *Illustrated Etiquette & Protocol (Ilustrirani Bonton & Protocol)*, published in Zagreb in 1963 with ten editions through 1989 (Zelmanovic). The illustrations indicate a proper table for a meal should show be set on an undecorated white tablecloth with flowers and a candle. Each place setting should have glasses for each type of beverage: water, white wine, red wine, and aperitif. There should be plates as needed: soup, salad, bread and main course. Forks and knives should be provided for each course including desert and placed at the left, right and top of the place setting. Napkins are folded over the plates and at the top of the place setting. There should be a tureen plus salt and pepper servers. All of the dishes in the illustrations are fine china, the cutlery silver. To an outsider, it looks like just another etiquette book based on continental European norms.

For the author of the etiquette book, that is the point. Zelmanovic writes in the introduction to the tenth edition of the book an explanation of its popularity. Since 1963, the book had ten editions over twenty six years; the last publication run was 135,000 for a market of about four million people. The author describes two changes, or revolutions, in local society since 1945, urbanization and structure, as influences on the book's popularity. Urbanization meant an explosion in the sizes of cities and towns and a transformation in the ways people interacted in daily life. Simply put, this etiquette book provided a guide to new circumstances in social life. Every era, society and place has its social customs, even the village, and he is presenting contemporary ones in the form of a book. Next, the author presents an answer to the implied question, "why a guide based on these norms?," with its specific connotations after the

class revolutions of state socialism and the youth movements of the 1970s. The author has already argued that etiquette books simply codify national behaviors and folkways. This has a specific meaning in the political contexts of state socialism across Europe. The politics of state socialism in Yugoslavia and many other states, village customs often served as a means of making legitimate policies. For example, communism was considered a natural fit for many states because villages were allegedly communal; of course, villages also had hierarchies, but this was often officially glossed over (Kligman 1998). So, if it was the norm in villages to have customs or rules about gift giving, dowries, hospitality, setting the table and serving food, then codes about that behavior in the cities were only an outgrowth of communism and other national customs. Regarding the postwar era, the author notes sectarians in the early phase following the socialist revolution may focused on destroying not just the social traditions of the past, but how those behaviors served as symbols of petit-bourgeois prejudices, for example, wearing a hat or tie. Zelmanovic notes the sectarians presented other behaviors as alternatives, but these practices did not present an advancement in social theory, only a move back. Thus, local society, adapting to urbanization and new social structures, has reinterpreted the correct customs, with their foundations in the local past, for the modern city. One way to read this, perhaps the official way, would be that etiquette presented in the socialist era is not about differentiating people by their class-based behaviors but about maintaining local customs of behavior as they are adapted to middle class city life in the modern era. Thus, the use of tableware in a specific way is officially appropriate because it is a local custom adapted to modern circumstances. Tableware is not new in Zagreb, it is not the sole domain of one class, nor is it an exclusively pre-socialist good. The use of tableware is part of the changes and consistencies of gendered consumer practices of the past and present and relates to social and market structures. This makes it an important object of research. Issues of urbanization, of new social structures and of standing the test of time, of modernization, because they were part of the consumer experience of state socialism lead me to the assumption they might come up in research as well.

## METHODS

The research presented here is ethnographic research including long interviews with twelve female informants who represent three class positions in Zagreb, Croatia: upper class, middle class and working class. Nine of the interviews were with women alone and three were multi-generational: mother-daughter pairs. All of the informants were accessed through the snowball method, starting with a key informant at the University of Zagreb and the social network of the researcher. The heuristic employed for informants' class was education and employment: professionals who had completed advanced University degrees, then skilled laborers who finished high school and may have some further education, and unskilled laborers, working for hourly wages outside the official economy, who had completed compulsory education. In the case of mother-daughter interviews, class mobility across generations was defined by the same characteristics: the mothers were laborers while the daughters were professionals. The goal of all interviews was to use the biographies of women and their tableware to explore class in Zagreb during and after state socialism. The multi-generational interviews explored these issues as well as multi-generational class movement, taste and class. Women informants who came of age during state socialism (using a heuristic cut off date birth before 1963) were sought with the goal of discussing memories of tableware use during state socialism. Date of birth 1970 or after was the heuristic for second generation informants. The

ethnographic research was conducted during the fall of 2006 and the winter of 2007 as part of the author's dissertation research.

In the interviews, there was a mix of open-ended questions and an interview guide (Patton 1990). Interviews (in Croatian) were tape recorded and video recorded. They opened with questions about the informant's parent's place of birth, migration and education, and then her place of birth, migration, education, marriage, work, childbearing, and childcare. In multi-generational interviews, it was sometimes unnecessary to ask the same questions to the daughter. Then the interview moved on to about seven open ended questions taken from a printed interview guide that developed iteratively in the research process. Tableware can be understood in this article as: china (*posudje za stol, stol servis*), fine china (*tkani porcelain*), glasses (*salice*), crystal (*kristal*), cutlery (*bestek*), silver cutlery (*srebro*), tablecloths (*stolnjak*) and napkins, serving dishes (*rostfraij*) and tureens (*zdela*), candlesticks and napkin rings. This operationalization, or definition, was driven by informants' descriptions of how they set their tables, of the researchers' participation in family meals in Zagreb, and by observation of what is on offer for tableware at posh and midrange department stores in Zagreb. It should be typical of what most people in Zagreb would expect to find on a table for a family meal, regardless of the style of the objects. Across the interviews, discussing residence changes easily led to discussion of favorite tableware, its movement across generations, its arrival into the household, meanings in different cultural contexts in recent history, and social linkage.

## DATA

In interviews, discussion with informants of their biographies revealed most working or middle class women arrived in Zagreb after finishing high school in the village in which their family has lived for generations, working as unskilled or semi-skilled agrarian laborers. Their parents often had no formal education. Matija (no real names are used), a middle class woman, aged about 45, when asked why she left the village, laughed and said, "It is a tiny village [in Podravina, a region of Croatia known for farming and the food industry] with no jobs, boring, and no future. I ran from there in 1981, after I finished high school. My husband did the same [he is from the same village]." A working class woman, Slavica, mentioned the differences between Zagreb and her village in Eastern Croatia as well as the change moving to Zagreb brought in her life, "I came here 'naked and barefoot' as they say, from that tiny village, in 1960, when I was 18 and finished school. I went to the employment office and found a job at TEZ [a light bulb factory] and worked there for 33 years. I met my husband in Zagreb. I went back to the village for the baptism of my brother's child after I came to Zagreb. I took the train to the closest village and then walked all night, in the dark, through the forest, to get there and I'll never forget how scared I was. I would never live there. Zagreb has streetlights and trams, everything is easy." Social class mobility has a lot to do with migration.

Most upper middle class women have roots in cities. They are either from Zagreb or moved to Zagreb from another city. Their mothers had always finished high school, and their fathers finished one or more University degrees. One woman was describing her family legacy, "My mother, all the women in my family, have always been educated and we have always been from Zagreb." It seemed clear to me that her framing of her personal history as constant is a contrast to larger changes in political and market structures. To probe the issue further, I asked her if any of these changes had influenced their status. She replied, "Of course not." Another upper class woman described her family roots this way, emphasizing that although her father was not from Zagreb, he was from a city rather than a village, he was educated, and his family had

been educated and powerful for generations "My father, he had a PhD, he wasn't from Zagreb, he was from Varazdin, and he was from a noble family."

I asked an informant, Hannah, an upper middle class Zagreb native, why she and other informants emphasize their roots. She told me a story about ways of communicating status. A businessman from Hercegovina, a poor mountainous region to the Southeast of Zagreb, who arrived in Zagreb in the 1980s and went on to make a great success. After a short time here, he asked the owner of a 180 square meter apartment (very large by local standards) on Masarykovia Street, in the center of town and across from the Croatian National Theatre, to sell him the apartment and everything in it. He wanted the apartment and its paintings and furniture. The owner just needed to take his few personal things and leave the rest. I asked why he would want to buy this. She said, "So he can have people in his house, at this address, people he is trying to impress, people he wants to do business with, and show them the paintings on the walls and say, this has been in my family for generations. Just to show that he has roots and is someone." Hannah mentioned, "My son and his wife have almost nothing on the walls of their apartment, they have a minimalist style. But when you come to my house, the walls are full of paintings." Another upper middle class informant and Zagreb native, Dora, talking about different places in town to shop, described the Sunday antiques fair at Britanski trg, a traditionally affluent neighborhood in Zagreb, as a "place for the newly rich to buy roots, to have old things in their apartment." So, given the social tensions in Zagreb, it is interesting to consider how people use private spaces to communicate status, and to whom.

Communicating status may be a dilemma only for threatened natives from the upper middle class. What about the consumption of the middle and working classes at home? Here, it is useful to consider meaning of home in the context of social changes. Middle class security in state socialism was something that most people shared, people who were workers or professors or dentists. It meant a place to live and insurance. Privatization shattered this security by bringing unemployment. For many people who worked as skilled laborers during state socialism, to have an apartment after privatization is a sign of success. The state did sell the apartments it owned to the people living there for very good prices in 1991. But to have been able to afford to not sell it in the late 1990s, when the price of real estate skyrocketed, or even to have bought an apartment at that time, as Lina, an upper middle class and Matija, a middle class informant did, is an accomplishment. In Croatia, having a home, as Matija described, means "having a space where you are protected, shielded from the outside, that no landlord can knock on the door and ask you for something." The interview with Matija went well in part because it was easy to feel at home there and talk about the things in it. The owners could afford not only their mortgage but also to use a tablecloth that is ironed, clean and attractive, but not luxurious, as a sign of middle class status.

After the interview and a meal at their home, Matija's daughter, Ivana, a University student, drove me home. In the car, Ivana remarked, "I'm glad my mother has a cozy home, that is important to her and it feels nice. She has nice textiles and things." I asked her why this is so important, and she said, "Well, a lot of girls, they wear really expensive clothes, but the way they live at home, their mothers don't have anything, and that isn't good." So, to be able to have a home that is cozy, that has nice things, inherited or not, is, for the working and middle class, an affirmation of status that is more "right" than displays on the street. It communicates keeping alive social practices. Visiting Martina, a working class maid who supports her veteran husband and daughter, felt quite different. Martina's family moved last year across town from her home of twenty or more years to an apartment the state pays for because of

his veteran's status, was a different experience. The table was bare. Martina had brought nothing of her tableware from her old apartment, and in fact she had very little to bring. The absence of this object brought up questions that were difficult to ask and answer.

For most women interviewed, tablecloths were often the most treasured objects in the category of tableware, often for their relationship to female ancestors. They presented tablecloths, or *stolnjak*, that were inherited at their wedding from female blood relatives (inheritance customs dictate goods move first to the blood line, then to the female, so that a woman inherits from her mother and her mother's mother or from her aunt and her aunt's mother, but rarely from her husband's mother. Women are expected to bring goods into the marriage). These were always pulled out of drawers, where they sleep, neatly folded, cozy in paper and lavender (or rosemary as is the habit of women from Dalmatia) wrapping, clean and ironed, until the time comes for use. Which, according to the informants, is hardly ever. They are almost too precious, too delicate, too sacred for wine and soup stains and subsequent bleaching. For working and middle class women, the textiles were always handmade on a loom by a female ancestor from the village and their decoration fits textile motifs from villages in that region. For upper middle class women, the difference is not inheritance but the production of and decoration on the textile. The mark of ancestry is not the loom and regional motifs but delicate, decorative needlework such as lace and flowers applied by hand.

Some of the physical characteristics of tableware make it important for research in Croatia. Csikszentmihalyi and Rochberg-Halton, in their study of what objects in the home people cherish, talk about plates as important for their associations with people or places of origin (1981). Many people have migrated to Zagreb following World War II and the war from 1991 to 1995. Also, plates and crystal are fragile, as they point out, and their preservation is a way to suggest that the owner and ancestors who also owned the tableware have survived forces of social, economic and political upheaval (1981). This would also be relevant in Zagreb, as World War II devastated the assets of many women, but not all. Also, many women were killed or displaced during the war and after. Thus, the local political history frames the conditions and meanings of having or not having inherited tableware. It also frames generational differences regarding perceptions of preservation, of new and old things and styles, between those women who lived through or were born after the war and those born in the peace of the Yugoslav era. Many working and middle class women referred to favorite plates as desert plates given to them from friends from the village or from Zagreb who move to Germany to work. Upper middle class women referred to full services of fine china inherited from their mother's family. They all mentioned the things were valuable as associations with other people.

One question I frequently asked was, do you have more "fancy" dishes (*tanki porcelain*), how did you acquire them, how do you use them, and if it was bought, was it expensive and how did you pay for it? I asked the same question about "everyday" dishes (*posudje*). Most of these questions referred to acquisition, trying to point out the differences between what is inherited and bought, as well as the meanings surrounding buying and inheriting. Most of the upper middle class women described inheriting dishes as well as buying dishes, for example everyday dishes for a new residence after a move. Matija and Hannah, a middle and an upper middle class woman, both described buying new plates for daily use when they recently moved into (finer) residences. The difference was the type of plates: the middle class woman bought glass plates at a discounter, while the upper middle class woman bought plates by Villery & Bosch at the most elegant department store in Zagreb. In a mother-daughter interview, I asked about the mother's biography

first, as in all interviews. When Petra, a middle class woman, mentioned her husband died in 1988 when her daughter, Vanja was ten, I expressed sympathy. The daughter assured me it was for the best, as they lived in a 32 square meter (345 square feet) apartment, her parents were divorced but lived together since no one had anywhere else to go, and her father was an alcoholic who died of cirrhosis of the liver, and if they had gone on like that, who knows what would have happened. Later in the interview, I asked if they had everyday china as well as china for special occasions. When they said yes, they do have china reserved for special occasions, they revealed the china was expensive and they bought it locally, at Nama, a department store in Zagreb. I asked them how they paid for it. The daughter, a teacher at a private high school, returned to the earlier stage of the interview to talk about the death of her father. She said, "We bought that china, it isn't fine china but it is very nice, with the money that we got when my father died. When my father died, as my parents were divorced, my mother did not receive any money from the state, but I did, and we bought the china with that." I asked them when they use these plates and they said rarely, perhaps for guests. They are wrapped and stored in a cabinet at home. They use other plates because "if they break when you wash them, you can throw them away, but the others are a set." However, an upper middle class informant, Dunja, whose mother died about twenty years ago mentioned that she inherited Rosenthal fine china and used it daily, washing it in the dishwasher. She said she has so much of it, she feels guilty if she doesn't use it. Use or non use of china differs according to class positions.

Cutlery *(bestek)*, at least the "good" cutlery, is also pulled out of a storage, where it is kept either in a paper box or in a container that is a small suitcase with a combination lock. It isn't hidden away out of fear that it will dissolve. Of course not, stainless steel is a durable material, unlike cotton that is at least half a century old. But that isn't the point of not using it. It is hidden away until it can be passed down to the daughter, until she marries and starts her own household. Informants describe that it is bought to give it away. Middle class women described buying *bestek* when their daughters were young. They bought the *bestek* at considerable cost and effort. One mother described buying *bestek* and paying for it monthly, over two years, in 1997. Incidentally, the war ended in 1995, and her husband returned from a short period in the military during which contact was not possible, and while her employment was stable, his was stabilizing at that time. Furthermore, the overall economic condition could not be described as optimistic. They mentioned buying the *bestek* so they could pass it to their daughters, who, in most cases, were not considering marriage at that time as their were barely or still teenagers at the time.

There were generation differences communicated through tableware. Daughters did not show interest in inheriting the *bestek* or any other tableware from their mother as it did not fit their style or personality. In a multi-generational interview, Ivana, an unmarried University student, what she might take with her if she moves out and marries, she said, "A plant that is in the hallway that my parents have had since I was little." I asked about the cutlery bought for her and she said, "I'm not really interested in it." In another multi-generational interview, a daughter, Tamara, a professional in her mid-thirties, who lived with her parents, said, while I was looking at her mother Vera's inherited, hand-loomed tablecloths, "you know, we don't really like to have those in modern houses, it isn't relevant or stylish, we like to have modern things." Another daughter, Vanja, who lives with her boyfriend and appears to be moving into the upper middle class commented in front of her mother, Petra, that she does not want to inherit things from her mother. She likes "glasses, especially from Ikea, not any of the old styles." In the case of upper middle class women, *bestek* is some-

thing they bought or inherited when they married and set up their home. These difference might not simply be about class mobility, however. Hannah again mentioned her son and his wife, a dentist. They have their own style, she said, like every generation, and bought their own things when they set up house. Hannah implied, however, they have nice things and know how to use them "I put a tablecloth on the table, but they don't, they are from a different generation that does things differently. They use placemats as it is less complicated. And they have a beautiful wood table and you can see it, it really is nice they don't cover it up." The differences between middle class mothers and their socially mobile daughters might reflect changes in perceptions of status as something to communicate through style of tableware and through style of acquisition: purchase rather than inheritance.

## DISCUSSION

This research asked if theories about social class developed in the United States transfer to other contexts. The data suggest they do. Indeed, social categories are related to consumption in Croatia. Data suggested the use of tableware is a social practice informed by class. It also suggested three factors influenced class: education, migration and employment. Women who were educated professionals from cities tended to be upper middle class. Women who were working in the unofficial economy, finished high school and were migrants tended to be working class. Women who finished high school, worked in skilled jobs and were migrants tended to be middle class. Acquisition patterns, inheritance and purchase, co-vary according to social class group. Inherited items make up the most of the upper middle class woman's table, although there is a strong presence of purchased items, especially for everyday meals. Purchased items make up most of the middle class woman's table; inherited items are usually stored. Purchased or received items tend to make up most of a working class woman's tableware; inherited objects are few and tend to be limited to tablecloths. These patterns also co-vary according to patterns of living in a city. Women who's roots are in cities have more inherited and purchased items than women from villages. Women from cities tend to be upper middle class as well. Women from villages tend to be middle or working class. They tend to have fewer inherited items. It is worth noting that most fighting during wars in Croatia took place in villages or small towns, but not cities, which may account for the lack of inheritance of working and middle class women. Yet it must also be noted the dowry of working class women would have been nonexistent. In the case of middle class women with village roots, china was received as a wedding gift, but it was not used, because the woman did not like the style.

One difference that emerged between Holt's data and the data presented here is the type of change the informants must manage in the course of their lives. In the case of women in Zagreb, rapid and dramatic historical change has been a part of their lives while this has not been the case for most of Holt's informants. Perhaps this is one reason the informants in this research focus on consistencies in social practices of spending on the home and using nice things in the home, even though the styles change. For example, even though Ivana, Tamara, and Vanja, three daughters who participated in multi-generation interviews, expressed no interest in inheriting tableware from their mothers, they all talked about how they liked to have nice things in the home. Hannah, a mother who talked about stylistic differences between her use of a tablecloth and her son's use of placemats, emphasized that her son's wood table looked beautiful. Styles change, but setting the table still communicates status and its meanings. In this case, Hannah is talking about a son who will probably not inherit her tableware–it will go to her niece, a female blood relation. Even if the goods move forward in

extended directions, or move forward and are not, as would probably be the case for Ivana,, Tamara, and Vanja, the status they communicate would continue in practices with new goods.

Another question for this research has been women's roles as status makers in families. Working class women certainly made the largest contributions to their family's income and status. Their contribution during state socialism was about equivalent and their job status was also equivalent but their contribution is much larger now: Martina and Sanja were the main breadwinners in their households. Sanja was responsible for bringing almost all of the goods into the house as they were gifts to her. Martina's situation must be understood in the context of the recent war: her husband was a veteran who worked before the war but has found work sporadically since then. In both cases, their husbands were not contributing income. For upper middle class women, their contribution to family status came after they finish their education and established themselves professionally. In most cases, this happened during state socialism. They have been in a position to benefit from the opportunities of expanding public and private sectors ever since. Their contributions remain more or less equivalent, but both their and their husband's income has increased. For middle class women, their position has not changed too dramatically during and after state socialism, although their daughters stand to benefit from growing up middle class. For both upper middle and middle class women, their husbands had similar employment and education status as they. It would be difficult to separate who is responsible for status. Thus, for upper middle and middle class families, status may have more do with gender dynamics than gender dominance and female contributions than has been recognized in the literature so far. Women's consumption of bought tableware may be a way of showing her status as middle or upper middle class in the broader context of social and demographic changes, they show her as one of the successful ones, in a way that using inherited tableware can not. Maintaining the social practices of a class position in the home, which requires knowledge about them and how to use them correctly, can connect the dots. Future research could look at women's consumption of status goods for the home. Finally, consumption of fine china for home use communicates to a smaller audience compared to consumption of, say a dress worn to a concert, and is often more expensive. The symbolic power comes in assuming the public communication has been taken care of or is not relevant.

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## APPENDIX A
### INFORMANT DESCRIPTIONS

| Name | Age | Description |
|---|---|---|
| Irina | 60-65 | Professor. PhD, From city, moved to Zagreb in 1991. Most tableware inherited, but lost in recent war. Upper Middle Class |
| Lina | 60-65 | Professor. PhD. From city, moved to Zagreb after WWII. Inherited and bought tableware. Upper Middle Class. |
| Dunja | 45-50 | Professor. PhD. From Zagreb. Inherited tableware. Upper Middle Class. |
| Dora | 60-65 | Company Director, very prestigious firm. MSc. From Zagreb. Tableware inherited and bought. Upper Middle Class. |
| Hannah | 55-60 | Professor, PhD, From Zagreb, Tableware inherited and bought. Upper Middle Class. |
| Ivana | 20-25 | Matija's daughter. University student. From Zagreb. Research Assistant. Wants to buy new tableware rather than inherit. Middle Class. |
| Matija | 45-50 | Ivana's mother. Skilled worker in a factory. From village. High school. Some inherited, mostly textiles, but mostly bought tableware. Moved from Working to Middle class. |
| Vera | 55-60 | Tamara's mother. Middle class. High School. From village. Mostly bought tableware, inherited textiles. |
| Tamara | 30-35 | Vera's daughter. Manager. MSc. From Zagreb. Wants to buy new tableware rather than inherit. Moving from middle to upper class. |
| Petra | 55-60 | Vanja's mother. High School. Moved to Zagreb. Retired. Bought tableware. Middle class, children's help keeping them out of working class. |
| Vanja | 25-30 | Petra's daughter. University degree. Teacher at a private high school. From Zagreb. Wants to buy new tableware rather than inherit. Moving into the upper middle class. |
| Martina | 45-50 | Retired factory worker. Now works in the unofficial economy as a maid. From Zagreb. High School. Recently moved into social housing, left tableware behind (most of it bought). Working class. |
| Sanja | 50-55 | Retired factory worker who now works in the unofficial economy as a maid. From village. High School. All tableware received as gifts from friends, relatives. Working class. |

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# Peeps, Beemers and Scooby-doos: Exploring Community Value amongst Scottish Car Cruisers

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## INTRODUCTION

"Crucially important to the ethnographic imagination of life as art is that we recognize and explore the scope of creativity in the use of commoditized and electronic materials, their profane possibilities as mobilized in concrete contexts." (Willis, 2005:50).

This paper is inspired by the approach to consumer culture which Willis (2005) sets out to unravel with respect to the forms of creativity expressed through consumption practices. We examine in particular one such context that of the cruiser community who gather together once a month at a site in central Scotland locally referred to as the 'The Falkirk Wheel' (see http: www.thefalkirkwheel.co.uk). At this car park, of what is must be said is a very imposing canal lock, the 'Falkirk Cruise' is performed. Similar gatherings can be witnessed in cities and towns throughout the UK, where cars sporting thousands of pounds worth of modifications are temporarily brought together for the spectacle of what is termed 'The Cruise'. Despite the significance of such events to those concerned, little is known about them beyond the charged tone of the media coverage which seeks to represent them as troublesome, secretive gatherings of 'joy riders' and 'boy racers' intent on inflicting their deviant practices on an unsuspecting public (Campbell, 1993; Mulford, 2000; Evening Times 2002a, 2002b, 2002c, 2003). The effect of such media representations, as previously noted by Thornton (1997), is not merely to stigmatize cruising as anti-social, but to construct participants as committed members of a menacing collective expression, the unacceptable face of the 'reality' of youthful resistance and irresponsibility.

We argue that this topic is worthy of consumer researchers attention not least in that it gives us a glimpse into a specific instance of consumer culture in the making (c.f. Brownlie, Hewer and Horne, 2005). Moreover if we are to understand consumption as a way of doing and performing community (Muniz and O'Guinn, 2001) then such a context speaks of the bonds of sociality that constitute the collective, enabling us to open up to question what Maffesoli terms 'the relational component of social life' (1996: 123). The social bond, or as Cova (1997) describes it, *the link*, is the important mediator here; as are what Peñaloza and Venkatesh (2006) refer to as the agentic practices which are an essential component for the 'co-creation' of *meaning and value in exchange and use*. In this sense it speaks of enabling us to rethink notions of tangible and intangible brand assets, especially when the brand is secondary, subverted and an object to be played with to inflect and produce their own meanings (or as they simply prefer 'debadged') by way of generating the intangibility of community value. Drawing on the recent work of Lury (2004) we consider brands as simply objects in motion, an interface of connectivity and interactivity, where "The 'is' of the brand is also its 'may-be'; in its being–its objectivity–it has the potential to be otherwise, to become." (2004:151). This paper then seeks to make an advance by turning our attention back to the significance of social relations for the understanding consumers and culture. But also to demonstrate the inconsequential role which brands play in negotiations over social value (Dant, 1996); what Bauman in his discussion of culture as *praxis* refers to as the "hard core of actual interaction…the lasting, time-spanning, little-changing, skeleton of the societal practice…the kernels of stability in the husk of floating events." (1973:106). This viewpoint alerts us to the merit of considering a specific cultural context where people choose to come together to forge what we see as their social and cultural identities through their relationships with their cars and others.

## EXPLORING THE SOCIALNESS OF CARS

Until recently research has highlighted the "dark underside of auto freedom" (Sheller 2004:224) where the motor car has been constructed as a 'bad object', as a sign of alienation and the source of environmental, urban and social problems of contemporary society (Miller, 2001; Noble and Baldwin, 2001). The car has been condemned as a machine which could only accelerate the decline of community and the decay of social solidarity, both facilitating and symbolising "the flight into privacy" (Hawkins 1986 cited in Dant and Martin 2001:7). As Urry and Sheller (2003:116) argue, in the car, "the public world beyond the windscreen is an alien other, to be kept at bay through the diverse privatising technologies incorporated within the contemporary car". Similarly, Edensor (2004) argues that time spent in cars becomes normalised and the road becomes "socially sterile, purified and single purpose" (Sibley 1988 cited in Edensor 2004:110). Roads become in Auge's (1995) words 'non-places'; to be contrasted with 'places' wherein identities, relationships and a story can be played out. Non-places, on the other hand, effect a certain detachment between the individual and the spaces they negotiate "where solitudes coexist without creating any social bond or even a social emotion" (Auge 1995 cited in Merriman 2004:148). Bull further suggests that we think of the car as an extension to the home in which individuals, "physically cocooned" (Jacobsen, 2000 cited ibid), inhabit a "free dwelling" in motion on the road (2001:185). For us this individualised approach is insufficient since it fails to address what Riggins (1994) refers to as the 'socialness' of such material objects.

Miller (2001) has contended that the car has become so central and 'second nature' that its significance has been overlooked to the detriment of an accurate understanding of the extensive role it plays in people's lives. He argues that the car has been viewed as the "taken for granted mundane that hides the extraordinary found in this material expression of cultural life" (ibid, 2). We concur with Miller's (2001) call for a rethinking of the car and a consideration of its evident humanity. Indeed, in the 'Car Cultures' collection he demonstrates "just how simplistic a concept such as 'alienation' appears to be when set against a relationship to cars which is not just contradictory but convoluted in extreme" (2001:2). The car's humanity, he argues, "lies not just in what people are able to achieve through it, nor yet in its role of destruction, but in the degree to which we see ourselves as human" (ibid:2). For us, it is the cars sociality which matters most, for example Dant (1996) sets out to avoid the fetishism of the object through understanding the car as

an inherently social object, a point of connection or 'vector of communion' (Maffesoli, 1996) through which people are able to share their enthusiasms and passions to produce what Maffesoli might refer to as ephemeral, local emotional communities (Maffesoli, 1996). This paper seeks to explore and produce an 'emphatic account of car consumption (Miller, 2001:8) to thereby open up a set of questions around community value and the social construction of such value.

## TURNING TO CAR CULTURES

Within consumer research, studies of bikers (Schouten & McAlexander, 1995) to those on goths (Miklas & Arnold, 1999; Goulding, Saren & Follett, 2004), rave cultures (Goulding, Shankar & Elliott, 2002), gay men (Kates, 2002), mountain men (Belk & Costa, 1998), trekkies (Kozinets, 2001) and X-Philers (Kozinets, 1997), have all sought to understand the situated nature of consumption practices, and in doing so have highlighted the value of what might be termed a cultural approach to consumer researchers. Such an approach draws upon the early work of the CCCS (cf Hodkinson, 2002, 2004; Skelton & Valentine, 1998; Gelder & Thornton, 1997; Malbon, 1998; Hall & Jefferson, 1993; Hebdige, 1991; Willis, 1978) offers a useful approach to cultural analysis framed through the notion of subculture. In the case of studying the subculture of skinheads, Clarke writes that "Skinhead style represent(ed) an attempt to recreate, through the 'mob', the traditional working class community as a substitution for the real decline of the latter" (1993:99). He argues that groups of similar minded youths were able to resist the "people on our backs" within their 'community', with solidarity expressed through the symbolic construction of taste and style (1993:99). In this way, the subculture is manifested through a collective response to changes taking place in wider social conditions, organized around style-based allegiances, especially to fashion and music. Early debate around the value of the CCCS notion of subculture centred on the idea of taste and style as articulations of symbolic capital and as the basis for strategies of resistance enacted through the conspicuous consumption of style-inscribed commodities (Clarke et al., 1993).

The work of Schouten and McAlexander (1995) imports a subcultural framework into their ethnographic research among a community of bikers, albeit with little reference to prior ethnographic studies of bikers (Willis, 1978) or the work of the CCCS (for example, Hall & Jefferson 1993; Bennett, Martin, Mercer & Woollacott 1986). They also introduced the term 'subculture of consumption' as a means of characterizing individual and group organizing structures, such as clearly defined hierarchical fields, systems of formal and informal membership, a unique ethos or shared set of beliefs, rituals, jargon and modes of symbolic expression. Although these characteristics, in particular shared rituals and modes of symbolic expression, seem extremely similar to those which mark neo-tribes (Cova, 2002), there are fundamental differences. For instance, a 'subculture of consumption' recognizes that subcultural groupings are defined by clear hierarchical social structures that may identify the status of individual members. Expanding on the work of Fox (1987), Schouten and McAlexander (1995) explain how subcultural groupings can be characterised by a concentric social structure and related consumption practices, signifying three levels of involvement based on commitment to the ideology of the group. 'Hard core' members exhibit a "commitment and ideology that is full time and enduring" (ibid:48). This grouping act as opinion leaders to the 'soft core' members, who demonstrate less commitment and in turn their role is subordinate to and dictated by the 'hard core'. Finally, 'Pretenders' show great interest in the subculture but only "delve superficially" into the ethos serving as

an audience and material support to the hard core and soft core members.

Another distinction between neo-tribes and subcultures as ways of framing cultural collectives relates to formal and informal membership practices. Maffesoli (1996) argues that neo-tribes are distinctive on the basis of their ephemerality, since they do not have any permanent membership other than through the duration of rituals (Maffesoli, 1996). Also it appears possible to belong to more than one neo-tribe through switching allegiances, where one mask is dropped and another is worn (Malbon, 1998). Within a subcultural framing then, identity is theorised as being unified and fixed. Membership is seen to be static, one mask being permanently worn, in that distinct dress codes and a specific stable way of life permeates everyday activities. On the other hand, membership framed through the concept of neo-tribes is represented as being temporary, unstable and shifting, making possible simultaneous membership of several sites, so that the individual can live out a temporary role or identity in one site, before relocating to another to assume a different role or identity. And those roles or identities are not simply class-based. As Maffesoli argues, "in contrast to the 1970s-with its strength such as the Californian counterculture and the European Student Communes-it is less a question of belonging to a gang, a family or a community than of switching from one group to another" (1996:76). Recent research into 'rave cultures' (Bennett, 1999; Goulding, Shanker & Elliott, 2002; Malbon, 1998) has been critical of the relevance of subcultural theory. Bennett maps out some of the objections, namely that it may be inappropriate to utilize "structuralist accounts to explain what are, in effect, examples of consumer autonomy and creativity" (1999:599). For example, it is suggested that subcultural activities may be better understood as expressions of self identity and creative solidarity rather than resistance against domineering forces in what is becoming a progressively classless society (Goulding, Shanker & Elliott, 2002). As a raver in Goulding's research stated "Going to a rave is like going to a massive party where everyone is in the same wavelength. Dancing kind of draws people together, not in any kind of sexual way, it's just like you're sharing something exhilarating, dancing till you nearly drop" (2002:273). Bennett (1999) prefers the notion of a neo-tribe as membership to such groupings is based not on conformity nor exclusivity, but an ambience, a state of mind that binds fellow individuals, even strangers, together into one tribe (Bennett, 1999; Goulding, Shanker & Elliott, 2002; Malbon, 1998). In contrast, Hodkinson (2004) argues for a reworking and clarification of the notion of subculture itself as he suggests that elective groupings such as goths are "less notable for their fluidity than their levels of what might be termed cultural substance" (ibid:141) as expressed through a consistent distinctiveness of values and tastes, a sense of shared identity, but also their practical commitment or immersion in the scene and the relative self-sufficiency of the grouping from mainstream commercial culture. Stahl (2004) in his research on music-making opts for the analytical concept of scene to account for the loose affiliations and 'webs of connectivity' that may define participants' everyday practices.

Turning to studies of car consumption we find that most have tended to adopt the subcultural approach rather than that of the tribal framework. Two cross cultural studies, in particular, have documented the practices of 'Raggare' culture in Sweden (O'Dell, 2001) and the Kortteliralli in Finland (Vaaranen and Wieloch, 2002; Vaaranen, 2004). The latter study revisits the CCCS approach to explain the practices of Finnish street racers as emotion fuelled opposition to their 'bitterly remembered' working class childhood. Resembling other CCCS inspired studies, the existence of the Kortteliralli as a car centred collective was underplayed in favour

of a theorisation of their practices as working class resistance against the bourgeois ways of consumption (Vaaranen, 2004). As Vaaranen and Wieloch (2002:92) argue "the affection felt for the cars unites these boys. Still, even stronger bonds are based on mutual history due to bitterly remembered school years and shared living conditions in the housing projects surrounding Helsinki". O'Dell's (2001) study of the Raggare ('Working class Greasers') is presented in a similar manner. He argues that working class youth purposely adopted "all but beautiful" American cars of the 1950s as symbols of their resistance to the 'good taste' of middle class Swedish culture.

We argue that the value of such studies lies in the attention they draw to the creativity embedded in the everyday (Willis, 2005), most notably through cultural practices and their social potential. For example, while the Raggare became "something of a vulgarity" in the public domain, O'Dell highlights the positive social role of the car for these young people. He argues it is possible to liken the car to a mobile family room, a semi public sphere in which friends congregate and socialise. Furthermore, through acts of bricolage the cars of the *Raggare* were customised and decorated outlandishly with two-tone paint serving as a forum for self expression for these young people. As he clarifies, "more than just an object, the car is a room in and around which working class youth can develop their own modern identities" (O'Dell 2001:124). Or as Willis suggests: "[consumers]…adopt and make use of capitalist consumption commodities–clothes, drink, cigarettes–not only to resist domination but to make, project and believe in versions of their own worldliness and superiority. They penetrate the shells of fetishized commodities to find new social use values." (2005:36).

## ON METHOD

In terms a method capable of bringing such creative practices to light, our work is largely inspired by the work of Cova and Cova (2001), who suggest that in order to understand neo-tribes the consumer researcher is "well advised to cast aside the more traditional mono-disciplinary, systematic approaches and to favour practices based on detecting signs, foraging for faint hints and sighting glimmers of shadow" (2001:71). In following this advice data generation employed a multi-method approach combining desk based research, face to face participant observation and online computer mediated communication (Kozinets, 2002).

First, to build an understanding of the jargon, rituals and aesthetic ambience shared by the group, a review of popular discourse was undertaken, involving websites and newspaper coverage. The dedicated fanzines *Max Power* magazine and *Fast and Modified* provided accounts of "key [cruise] events memorialized in words" (Fetterman 1998:92). This material was then coupled with a phase of participant observation, which involved an episodic "deep hanging out" (Wolcott 1999, cited in Elliot & Jankel-Elliot 2003:215) with tribal members over a six month period at a number of specific cruise events across the breadth of Central Scotland. Observations (including the taking of photographs) focused on uncovering the symbols and rituals (Fetterman 1998; Swidler 1986) to attempt to grasp the role of uses and meaningfulness of objects, and their role in the performativity of the 'social drama' of social life (Turner, 1982). As Swidler (1986) testifies, to understand culture, researchers must attempt to understand the symbolic vehicles of meaning that comprise it. In particular, she argues that beliefs, ritual practices, art forms, ceremonies, and informal cultural practices (Language and gossip) are the means through which "social processes of sharing modes of behaviour and outlook within a community" takes place (Hannerz, 1969 cited in Swidler, 1986). These methods were then supplemented by recourse to 'consumer

voices' (Stern, 1998, cited in Cova & Salle 2003, 10) as a means of accounting for of the lived experiences and everyday practices of cruisers. First, as Elliot and Jankel-Elliot (2003) advise, interviews took the form of impromptu discussions between researcher and informants. Thereafter, web forums provided an invaluable environment in which to probe the lived experiences of Cruisers (Kozinets, 2002). In utilising the web forums, initial questions formed during observations were, in the first instance, posted on the open message board where people could choose whether they wanted to respond or not. In line with the suggestion of Illingworth (2001) this provided an interesting and dynamic environment in which group members could dispute or co-construct meaning. Anyone who responded was subsequently contacted personally and asked whether they would become a research contact. Combined, these strategies formed part of a concerted ethnographic effort to give the group a voice, to in other words explore and understand their everyday practices of meaning-making. It could be argued that a strategy of non-participant observation may indeed serve only to impose an outside interpretation on the activities of a group already objectified in public discourse. It was important, as Kusenbach (2004) reminds us, that we checked whether our 'savvy' academic observations were shared by, or meant anything to, any of the respondents. Accordingly, forums and attendance at the cruises provided a less intrusive opportunity to take Cruisers on their own terms and allow them to articulate their own activities.

### "Anti-Social": A contradiction in terms

Unsurprisingly, in defining their practices respondents sought to distance themselves from the images presented in public discourse. In particular, they rejected three major characterisations. First, the respondents defined themselves in contrast to the 'boy racer' or 'ned' label that they are frequently subjected to. Accordingly this differentiation formed a discursive boundary through which Cruisers could define themselves as legitimate and mark out their own meaning-making. As these respondents testify, despite a small element of 'boy racers' existed within the culture, they do not share the same values as Cruisers,

> "Cruising goes by what it says in the dictionary to go somewhere in no great hurry or speed. There's a difference between boy racers and Cruisers".

> "I wouldn't ever deny that there are young lads who like to race about and yes it is dangerous, however a Cruiser and a boy racer/ned are completely different things".

It is unsurprising that respondents defined themselves in this manner. Indeed a person's identity is said to be conditioned, not only through an inward looking self consciousness, but, more significantly by defining who one is not and differentiating members of the group from 'others'. Identity is largely constructed in relation to an 'other' (Bauman, 1990; Triandafyllidou, 1998). As Kedoune articulates, "there is duty laid upon us to cultivate our own peculiar qualities and not to mix or merge them with 'others'" (1992 cited in Triandafyllidou 1998:596), an argument which was validated during fieldwork at Edinburgh Cruise (Saturday 25th June 2006).

> *A sports car came into the car park (A slick black looking FTO?) and over in a clearance started performing burnouts and what they described as 'attempting to drift'. Surprisingly, only a few people went to watch. As an outsider on the search for exciting data, I went to go over, only to be stopped and told,*

*"don't go over mate, you'd only be encouraging him. He's being an arse. You watch the police will be here any minute" . The guys started laughing at the 'point' of wasting 'a good motor' and a good set of tires.*

This sentiment is supported by this respondent,

"A boy racer will 9 times out of 10 have a pretty standard car which they think is amazing and they race about or do burnouts/hand-break turns. Why would someone spend thousands on a car and possibly the same on insurance to kill it like that?"

In essence, respondents were knowledgeable of their position as labeled by the media,

" It's just the fact we're young and have modified cars we all get tarred with the same brush as being 'boy racers' but we don't race. It's just a gathering of car enthusiasts that get painted in the media as menaces."

Secondly, respondents hinted at the 'normality' of Cruising and rather interestingly, likened the act of Cruising to everyday mundane activities. Furthermore, respondents contrasted the morality of Cruising against other popular forms of social interaction such as drinking and taking drugs. In essence, the act of being parked up in a car park to them was no different to non-Cruisers doing the same. If anything, respondents felt it was safer to be doing this than being out on the streets 'drinking'.

"Cruising is a chance for people to meet likeminded folks from all walks of life without fear of being abused or attacked physically. People who love their cars and don't spend their hard earned cash getting drunk or doing drugs. How is that a THREAT to local communities?"

Thirdly, in relation to Cruising being perceived as an Anti-social behaviour, respondents indicated that while small minorities of individuals at Cruises are 'anti-social', they felt it was unfair to label all Cruisers in this way. Indeed, despite Anti-social behaviour taking place during other leisure activities, respondents felt the whole culture was victimized,

"How is lots of young people meeting up to have a chat and enjoy each other's company "anti social". That would be a contradiction in terms. Yes, there are people who do burnouts, handbrake turns etc but then again when you go out to 'socialise' at the pub there are people who like to randomly glass strangers, or look for fights with bouncers. Does that make all drinkers and pubs dangerous and they should be labeled as anti social?"

In sum, the definitions of Cruising from inside the group were markedly different from the definitions of the practices of the group provided by the media. Indeed, the definition of their actions as everyday is heavily linked to the persistence of respondents to define themselves as 'normal'. Respondents maintain, their interest in Cruising does not mean they have a repertoire of values that are discontinuous with the centre (Jenks 2005). As this respondent is keen to explain, Cruisers are implicated in the values of everyday society as much as anyone else,

"Most people think of cruisers as trouble makers etc. Most would be surprised if they found out I actually work full time

and study part time for my accountants degree….Not exactly the image people have in mind of a Cruiser….anything which is done to my car is insured and paid for through hard work."

**Decommodification–or simply standing out in a *home away from home***

In broad terms modifications attempt to appropriate 'standardised' cars and create a personalised creation that 'stands out from the crowd'. Interestingly, respondents did not feel that these actions were different to other everyday consumption rituals. These sentiments are articulately expressed by these respondents,

"A couple of things I usually say when people ask, 'Why bother doing it' .... Well to the first one my answer would be, why bother decorating your house. Why not leave it plain white with floorboards and no curtains? Because you want to make it your own that's why. Why bother buying a 4x4 off road vehicle when all you do is drive your kids to school or to the shops? Because you want people to think better of you because you can afford that 4x4."

"Cruising is a chance to make something your own and is an extension of your personality and individual style."

In this manner some of the respondents explained their passion for modifying cars in terms of the desire to be "unique", to possess what they termed a "one-off", but also "To be as different as possible from anyone else". However, this assertion is also framed in terms of what the CCCS (Hall and Jefferson 1993) might define as the values of the parent culture. As some of the participants suggested:

"In a world where everyone had a grey coloured car, wore grey suits, had grey wallpaper and carpets would there be much to live for?"

By this reckoning the name of the game is not simply a spectacle of escape and freedom (Goulding, Shanker & Elliott, 2002), but also appears geared to expressing resistance through symbolic means to broader cultural imperatives:

"The reason is to be different from standard. Standard is boring and you can see standard cars at any time of the week. It's all about individuality and standing out from the crowd."

It is as if in a drab humdrum world such groups are searching for the glamour of the spectacle, the glamour of conspicuous consumption and production to forge their social identities through solidarity and communion with others. Their being-as-a-group, or as they prefer "standing out from the crowd", can be reaffirmed in their resistance or antipathy the logic of the market, what Willis refers to as the "shit of capitalist production" (1978, 178), and their desire to inflect their own meanings from such commodities. Debadging being one such act of reappropriation which appears to represent a symbolic attempt to escape the market and it's characteristic brand-dominated culture (Holt, 2002).

Interestingly, a standardised car is underwhelming for the group, it is as they suggest "nobodies dream machine". Despite their obvious love for cars, with the exception of a few chosen models such as Subarus (Evos) and Sierra Cosworths (Cossies), most standard models of cars fail to fascinate or interest the group. While most in society purchase specific models as status symbols, to Cruisers, cars are merely blank canvases onto which they can paint their own styles:

"It's personal choice and I don't own a house I rent so my car is my canvass, my way of expressing myself and making me stand out a wee bit.".

The majority of cruisers, although not all, were likely to be aged from 17-25. In this way, they were unlikely to own their own house have other responsibilities of 'adulthood'. As a result, their cars are the most expensive and important object that defines them. Previously, Northcote (2006), after Turner (1982), has conceptualized clubbing as part of the symbolic work by youth in a phase of liminality. As she argues, youth leisure pursuits are fundamental to "defining a lifestyle set apart from everyday worlds- a setting apart that is in fact integral to dealing with the pressures and demands of the everyday world." Indeed, Turner's (1982) liminality may be an interesting means of understanding the practices of Cruisers. As well as defining these practices, as Northcote (2006) does, as a rite of passage between childhood and adult responsibilities, liminality may account for the ways in which, through the creative leisure pursuit of Cruising, Cruisers reappropriate the taken for granted cultural symbols of cars that, or as Turner argues, "In liminality people 'play' with the elements of the familiar and defamiliarise them" (1982:27).

Indeed, defamiliarising and personalizing the commonly held aesthetics of cars is the main function of car modifications. The addition of 'body kits', spoilers, alloys, bore exhausts, to name but a few (see Table 1), reappropriate the exterior of the car in line with the personal taste of the owner. At the same time, the removal of familiar brand symbols of the car through 'debadging' attempts to give the car as smooth look as possible. This active decommodification of the car seeks to subjugate the centrality of brand symbols as signs of distinction. Through debadging, Cruisers actively seek to personalise the car by removing the car of its previous cultural meanings imposed by manufacturers and advertisers. Consequently, Cruisers manufacture their own creations. In this situation, car badges serve no other purpose than to advertise the company:

"I think it's advertising from the company, everyone knows it's a Clio for the shape. Why have the badges to prove it?".

In sum, debadging, and other exterior modifications, can be understood as an explicit attempt by Cruisers to position themselves as different; and as Noble and Baldwin (2001:87) highlight, often we construct ourselves as different to "contain the terrifying ordinariness of our lives….in appropriating objects, we are not simply personalising them, transforming them from a generic, commodity status to something unique and our own; we are personalising and subjecting ourselves, pursuing our own 'distinction'".

While the attention paid to the 'look' of their cars allowed respondents to receive self validation by enhancing their sense of visibility through standing out from the crowd of 'standard' cars, it was interesting that no such codes existed around the 'look' of members, as no particular cruiser 'uniforms' appeared to exist. Significantly, the projection of the car and its exterior provides, to use a Goffman term, a 'front' for Cruisers that is markedly different to that which is achieved by other props in everyday social interaction. Conventionally, self presentations are based on makeup, hairstyles and clothing. However, these did not appear important to Cruisers. Indeed, resembling Vaarenen and Wieloch's (2001) Finnish street racing culture, the self presentation of cruisers seemed to favour the car over the driver.

Similar to wearing makeup and clothing as the central aspect of a person's performance, however, Cruisers' presentation of self is the result of a large amount of time spent backstage. Considering the amount of time taken to design, save for, and complete modifications, we concur with Northcote (2006) when she explains, in relation to Clubbing cultures, that presentation is usually the outcome of sustained backstage work. Indeed this was obvious given the condition of the cars at Cruises that were evidence of the hours of care, attention and modifying lavished upon their cars. However, it could be theorised that cars and clothing differ regarding the level of embodiment of the owner. As well as providing an exterior to enhance visibility, as the contradictory mix of interior-exterior modifications indicates, the employment of modified cars as the central aspects of one's public identity can provide a retreat for the endless task of self management. In this respect, modified cars exemplify Featherstone's (2004) argument that the projection of the car as identity impairs traditional communication. In this regard, their cars provide a sense of solitude, where Cruisers can, in a sense, go 'backstage' and delegate the front stage work to the car. The car, therefore, serves as a "go-between" (Goffman 1967:15) in public life, thereby protecting the self evaluation projected by clothes and the manner of the driver. The car as an extension of the person, facilitates social interaction as the person. The driver becomes decentred and dislocated and, in this regard, the car acquires 'front stage' status. As Goffman (1967:15) explains, "The surest way for a person to prevent threats to his face is to avoid contacts in which these threats are likely to occur". The car then can provide a convenient vehicle to place a barrier between such threats:

"I feel great when I'm in my car. I feel free from most other things in my life, it's a place to escape to".

This is actively sought from the modification of tinting. As this respondent indicates, having tinted windows is a deliberate attempt to obscure the visibility of the driver:

"…to stop people having a nosey in my car. I feel like I am in a fish bowl with no tinted windows"

Indeed other interior based modifications reinforce this observation. Similar to Miller's (2001) study in Trinidad, a contradiction is inherent in the modification of I.C.E (In-Car-Entertainment). While the installation of large subs, speakers and other parts of sound systems, like exterior modifications, made individuals stand out from the crowd and enhanced visibility, other I.C.E are reflective of an attempt to recreate the style and but more importantly comforts of household room, to give it an air of *homeyness* (McCracken, 1989).

The central aspect of enhanced invisibility is centered on the installation of very loud music systems. In many cases, music is played so loud it can easily be heard outside the car. However, this effect allows further visibility for owners that is not possible with standard music systems,

"It's a form of identification and a cruise thing. I wouldn't be able to drive my car everyday without having some subs for bass and amps for my speakers. It's like listening to a portable radio and then being in a club."

"I love music so usually have a loud system to sing along to. I like to be heard"

Paradoxically, the centrality of I.C.E in the social worlds of cruisers, is also related to the large amounts of time spent backstage in their cars, and the comfort afforded by I.C.E during this time. Thus,

**TABLE 1**
A List of Common Tribal Modifications

| MODIFICATION | DESCRIPTION |
|---|---|
| **Debadging** | Involves removing all the badges of the car manufacturer so as to reveal a blank shell. |
| **Smoothing** | Removing or inverting locks from car doors and boot as it is perceived that the smoother the car is, the better it looks |
| **Spoiler** | Usually used for preventing lift on the car and increasing the downward force on the car. However spoilers have largely been adopted as a style feature on their cars. These can vary in size and proportion. Prices range from £50 to £300 |
| **Body kit** | Body kits are molded panels applied to the original shell of the car which makes the car, at times, unrecognizable according to shape and manufacturer. Prices range from £200 to £1000 |
| **Neon lights** | Neon lights are fitted under the car to light up the underside of the car. Usually neon blue in colour these lights are perceived to add style. |
| **Exhausts** | Wider bore exhausts are purchased to replace standard exhausts. As well as for style and performance purposes, exhausts result in the car sounding louder and as a result is noticed more. Prices range from £100 to £700 |
| **Paint effects & Transfers** | Paint effects can vary from smaller stencilled graphics to full bodywork coverings. The most popular style is multi lustre 'flip' paint but more recently glitter paint effects have become widespread. |
| **Tints** | Tinting involves darkening the windows of the car so that it is difficult to see inside the car. Recent legislation has made some tinting illegal, depending on how dark the windows have been made. As a result many Cruisers who previously modified windows have now discovered their windows are breaking the law. |
| **Alloys** | One of the first purchased modifications a Cruiser is likely to make. Purely for style purposes. Ranging from £120 to £1000's for a set of 4, they can form a considerable expense. Sizes range from 10" to 22" and are available in a number of colours (White, Black, Powder Coated, Gun Metal Grey, and most common, Chrome). It is generally perceived that the larger the alloys, the more fashionable they are. |
| **I.C.E (in car Entertainment)** | Given the time Cruisers spend in their cars many have extensive in car entertainment. I.C.E varies in extent and variety. The most common I.C.E is a stereo system to listen to music. Frequently Cruisers dedicate the whole boot to install their sound systems and 'sub woofer' speakers that increase bass power and volume. Other examples observed in the field included flat screen DVD players in the passenger seat of cars and even Playstation consoles. |
| **Custom Lights and Clear Indicators** | All lights on the car can be modified to suit individual tastes and styles. An example of custom lights are 'angel eyes' which are LED powered light rings, forming a halo effect, that replace standard lights. Clear direction indicators involve replacing the conventional yellow indicator and making it clear. |
| **Lowered Suspension** | Usually prioritizing style over practicality, lowering involves sinking the suspension. It is generally perceived that the lower the car is the better it looks. However extremely low cars prevent anyone from sitting in the rear seats. Moreover driving over speed bumps is likely to damage the underside of the car, especially the exhaust usually lowered by 30mm to as much as 150mm. |
| **Body Vents** | Used to increase the flow of air and provide greater stability in rallying. Cruisers use them for styling. |
| **Engine Modifications** | Used primarily for performance enhancement engine modifications take many forms. Examples include the following: conventional engine 'swaps' where one engine, is replaced by another; Turbo charges and dump valves are installed to give more power. Such modifications do not only increase performance of the car, but also serve to increase the subcultural capital ascribed to its owner. The intense sound of a highly tuned engine gives great pleasure to Cruisers. More style based engine modifications include colour coding the engine with different coloured leads and hosing, and installation of push button starters whereby the engine can be started at the push of a button. |
| **Misc. Engine Modifications** | Given the amount of time Cruisers spend in their cars it is unsurprising that that the interior of the car tends to be stylized to the same extent as the exterior. A small selection of interior modifications include: Stylized seats including bucket, leather, recliners, racing etc.; Replacing standard dials with custom images or coloured varieties; Additional dials added to show extra elements of the car not provided by original manufacturer; Replacement of floormats, steering wheels, handbrakes, pedals (Available with neon lights) and gear shift sticks, with versions to suit personalized comfort and style ambitions. |

the installation of, for example, Playstations and DVDs, provides home comforts for drivers during the large amount of time spent not driving. As these respondents highlight,

> "ICE is just to make the car more comfortable. If a Cruiser spends more time in the car, parked up, it'll be like his home away from home, hence the DVD players and stuff like that as well. Anywhere you spend a majority of your time in, you'll want it to have personal qualities about it".

### THE CRUISE AS AN EMANCIPATORY SCENE

In addition, our research reveals that central to their enthusiasm is the spectacle of the cruise itself, whereby cars meet periodically at a pre-arranged meeting place, usually a sizeable public car park, details having previously been circulated by internet, phone and email. The convoy which follows enables participants to express solidarity and defiance by travelling in tandem along public roads.

Comparisons here can be made to Hebdige's accounts of the Mods and their symbolic scooter charge on Buckingham Palace (1991; 1993), or even Harley Davidson chapters riding in tandem (Schouten and McAlexander, 1996). That is to say, the convoy and cruise represent the imaginative marking out of territory, or better space, a symbolic attempt to 'win contested space' (Clarke, Hall, Jefferson & Roberts, 1993, orig. 1975), but also to convert non-places into spaces (Auge, 1995) where the social itself is reinvigorated and brought to life. In this sense they exist as performances delivered on the public and commercial stage of the car park, whereupon the tribe marks its own 'unique' existence through rituals of display and performance. In terms of interpreting such cultural events we argue that such spectacles are not defined simply by their public visibility, but also as Kahn Harris (2004) and Butler (1997) prefer it is essential to view the scene as a space for performance, a stage on which the cruisers mark out their visibility and the creative forms that their cultural practices take to each other. Taking this line of argument further, we might suggest that the cruise functions to energize and vitalize this space, providing it not only with legitimacy, but also producing an ephemeral community where emergent socialities are produced, what Maffesoli might refer to as a form of 'undirected being together' (1996: 86) where the 'social glue' acquires a less intangible form.

While we found it difficult to estimate the numbers involved, we concur with Cova and Cova's (2001) evaluation of the in-line skater tribe that hundreds of individuals may share in the vogue surrounding modified cars and cruising. Outward manifestations of this include the movie *Fast and Furious* and its sequel, as well as a variety of internet sites and chat forums, what we might term neo-tribal spaces, where regular exchanges of information on modifications are facilitated but also where the identity of each regional cruise is marked out and a counter-discourse to the dominant media representations is produced. As the following response posted on one of the cruise forum conveys:

> "Well the BBC certainly got one over us, what a fucking embarrassment to those that are genuine ruisers... This "Inverness posse" bunch of twats climbing out car roofs and in through windows while on the move, smart! Good show for the camera's and exactly what the folk in Crail need to see when they get Crail shut down....It was basically a bunch of neds selected to show us up, well done." (Edinburgh Cruise Forum Tuesday March 23: 2004).

The internet is in this way not simply giving rise to new forms of community, but operates as a cultural resource enhancing group solidarity through the affirmation of a 'them' and 'us' mentality mediated specifically in terms of local affiliations and differences.

### Feesties, Beemers and Scooby-doos: Unruly Bricolage or simply exploring peeps and their mods

As suggested the spectacle of the cruise is central to the collective display of the sensibilities of taste and style that mark out the imaginative territory of the cruise; alongside this exist the forms of customization made to the 'look' of the car itself and the associated modifications made to this cultural object. In this way, it is not just the spectacle that cements and animates the group, but through the prior acts of modification (or as they prefer *mods*) and the social codes which regulate such changes to instigate the attribution of community value upon specific forms and styles of modification. A synopsis of the main modifications of car cruisers gleaned from observation (see Table 1), revealed that designs of alloy wheels are the apparent 'calling card' for cruisers, where they, like the Mods before them (Hebdige 1991; 1993) are not merely passive consumers of culture, but creative reappropriators of such commercial sources of value. Their modifications then provide the cruisers with a means of acquiring *distinction*, displaying their tribal *cultural capital*, and, perhaps more significantly belonging. In short, we argue that the cultural practice of modifying one's car represents an attempt to solidify the role of the car as a central aspect of respondent's sense of self. Further, these appropriations of a taken for granted cultural object allowed such individuals to, despite its misinterpretations, gain control of the front that they project in part of daily life. As McCracken (1990) highlights, these modification rituals are an opportunity to revise the conventional meanings which surround the car, but also this act of reappropriation appears to serve as a means for the individual and collective consciousness of the group to be expressed.

By means of reworking their vehicles, removing original features and building-in or appropriating others, the vehicle is imaginatively removed from its original context. Bricolage involves then a 'hyper-stylisation' of the car, achieved for instance through the deliberate lowering of the suspension, or the addition of elements to attract the gaze of spectators such as bonnet vents or unique paint effects, debadging, neon lights, body kits and spoilers, smoothing, or I.C.E, illustrating that some commodities are constantly in flux and occupy shifting positions for consumers. Through transcending the style boundaries imposed by the commodity aesthetics of marketing and branding the cruisers are continually striving to express their individual creativity and autonomy whilst at the same time invoking their affiliation with fellow cruisers (or as they refer *peeps*). So, we understand customization, even where it involves removing the accoutrements of brand recognition ('debadging') that many other consumers seem so keen to cherish and display, as significant in the formation of tribal capital. More importantly we suggest that it is through language and their creative cultural practices that the commodity-dominated world is reimagined as a land of *Beemers*, *Feesties* and *Scooby-doos* (see Table 2). That is, a world where through cultural commodities social and community value are exchanged and foregrounded over forms of commercial value. Here then we witness how the development of a unique argot provides the cruisers with a palette of expressions to not only endorse their own individual status and being-within-the-group but also to exclude non-members or outsiders. The language of metaphor and affiliation, be it through talk of *peeps* engaging in *mods* to their *Beemers* and *Scooby-doos* and displaying their aesthetic endeavours at *cruises*, enables the community to reinvent and reimagine the mundane world, but more importantly perhaps serves to reinvigorate and reawaken the social as something other, that is with a tangible presence and form. Suggesting perhaps that the

**TABLE 2**
The language and argot of Scottish Car Cruisers

| TRIBAL TERM | DEFINITIONS |
|---|---|
| Mods | Modifications |
| Peeps | Endearing term for friends/other members |
| Fourteens/Sixteens/Eighteens etc | 14/16/18 inch Alloys |
| Scooby-doo | Subaru |
| Evo | Mitsubishi Evolution |
| Cossie | Ford sierra Cosworth |
| Feestie | Ford Fiesta |
| Chinq | Fiat cinquecento |
| Slammed | Lowered Cars |
| Dubs | 20 inch Alloys |
| Beemer | BMW |
| Zorts | Exhaust |
| Rims | Alloys |
| Dusties | Fancy Dustcaps |
| Tunes (Choons) | In Car Entertainment (ie. Sounds systems and Playstations) |
| Rims | Wheels |
| Smoked | To have been Overtaken |
| Honnie | Handbrake Turn |
| Donut | Rear-wheel drive car in a continuous circle |

death of the social (Baudrillard, 1983) in a media-saturated world may have been premature conclusion to make, or at least brought forth particular forms of cultural practices and community value.

**In departing**

By way of conclusion, in this paper we employed the lens of cultural practice (Willis, 2005; Warde, 2005) as a device to help frame social relations circulating around the cultural form of the 'car', as particular manifestations then of consumer culture in the making. We sought to interrogate questions of identity making and the affiliative work of objects to unravel the complex processes by means of which consumer culture is instantiated in the particular milieu of the car as an object of bricolage; a site where cruisers improvise collective responses to the wider social structures which constrain their lives. Consumption practices then become the flip-side of logics of appropriation and reappropriation which cruisers (or similar tribes) employ to capitalize on their difference and pursue strategies of authenticity, largely through the creative re-working of available resources to forge not only their own identity but also to rework and reconstitute the social world as something other to its mundane and everyday form. In our minds, cars like many other cultural objects appear perfectly suited to this task, the job that is of expressing the relational nature of social life (Maffesoli, 1996) where what matters most is the social bond (Cova, 1997). An

approach to consumers where as Cova asserts "the link is more important than the thing" (Cova, 1997:311); and where consumers are considered as important co-producers of value (Vargo and Lusch, 2004). As we have sought to demonstrate through reference to the cruiser community the extent to which value is as much a community and social affair as a matter of commercial exchange is significant, and by this token brands appear to play only bit parts in the drama and spectacle staged within these ephemeral gatherings. The cruise then can be viewed as a performance of such community value, an enactment where negotiations over meaning in *use and exchange* are paramount and take a visible and tangible form. More so, our contribution is to demonstrate that in some instances of consumer culture in the making the brand is merely a cultural resource to be contested, subverted and erased; an object to be played with through the 'dialogic ritual' (cf. Gilroy, 1987) of debadging which serves to inflect and produce their own participa-tory and celebratory meanings in the name of making explicit the all-too-implicit, taken-for-granted and intangible qualities of com-munity value.

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# Driven by Devotion–How Consumers Interact with their Objects of Devotion

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## ABSTRACT

Taking Belk and Coon (1993) and recent criticism by Bajde (2006) as starting points, we develop an other-related view of consumer-object relationships. By exploring acts of devotion in the light of the dialectics of self and other, this article draws attention to so far neglected consumer behaviors and their meaning in relation with objects of devotion. The objectives of the article are, first, to further examine consumer acts motivated by high emotionality as in the case of consumer devotion, and second, to challenge the usefulness of a one-sided self-centered perspective with regards to consumer-object relationships.

## INTRODUCTION

Western society's shift towards a more materialistic, possession-oriented way of living has been widely recognized in research (e.g. Fiat and Venkatesh 1995). Nowadays we live in a culture of consumption (Slater 1997) where objects play many different roles in the lives of consumers. Objects bear special meanings (e.g. Csikszentmihalyi and Rochberg-Halton 1981; Richins 1994). They communicate social status and class membership; they reflect personal style; they help to express one's identity. We also know that consumers build and maintain diverse relationships with brands and products (Fournier 1998; Wallendorf and Arnould 1988).

The researchers of the Consumer Odyssey were among the first to describe the deep meanings of possessions resulting from long-lasting relationships between consumers and objects (Wallendorf et al. 1988; Belk et al. 1991). Since then researchers have reported about collecting behavior (Belk et al. 1991), compulsive consumption (O'Guinn and Faber 1989), addiction (Hirschman 1992), impulsive behavior (Rook 1987), consumer desire (Belk et al. 2003) and brand love (Carroll and Ahuvia 2006), just to mention a few oft-cited concepts.

Attempts to explain why individuals feel such strong urges to act upon favorite objects usually concentrate on the self and self identity projects in the lives of consumers as the ultimate rationale for favorite objects and possessions. Belk (1988) explicitly relates meaningful objects to the consumer's self, and introduces the 'extended self' metaphor of meaningful possessions. Ever since the introduction of the extended self (Belk 1988), self-brand connections, self identity, self-construal (Escalas and Bettman 2005), and other self-related constructs have proliferated through the literature as explanations for strong emotional bonds between consumers and objects. In a first attempt, Ahuvia (2005) opens up a new perspective. He asserts that self-extension can not be equated with the love of certain objects. Although love objects importantly contribute to the consumer's self, they are not incorporated into the consumer's core self.

Belk and Coon (1993) were among the first in consumer behavior research that acknowledged the existence of consumer behavior which can not be sufficiently explained under the prevailing exchange paradigm. In their analysis of gift-giving they come to the conclusion that a significant amount of interactions transcends exchange orientation. Their agapic (unselfish) love paradigm should grasp this kind of interaction, taking into consideration that *" in the intense love that we feel toward certain goods … we exhibit a self-less passion that may transcend materialism. To regard consumer behavior as only instrumental is to preclude any real understanding…"* (Belk and Coon 1993, p.413).

Bajde (2006) picks up the thread suggesting that other-centered behavior deserves ample consideration in consumer behavior research. Based on a critical reflection of the presumption of self-interest versus interpretations of other-centered behavior, he concludes that in the existing literature of our field the complexity of the socio-cultural character of consumption could not be unraveled due to a voluntary restriction to the idea of self-centered exchange-oriented individuals. As a consequence, he calls for the acknowledgement of consumers' other-interest in relation with consumption in order to shift views away from purely monadic interactions governed by the individual's self-interest (Bajde 2006).

In accordance with this position, we seize Bajde's (2006) suggestion and develop a view of consumer-object relationships as dyads marked by equality and reciprocity. The ground for the relationship view was laid by Fournier's (1998) influential work on consumer-brand relationships, which proves the legitimacy of brands as active relationship partners and empirically confirms the importance of consumer-brand bonds for consumers.

We embrace Fournier's (1998) results and attempt to go one step further. We perceive the object as distinct other whose condition and needs matter to the consumer, precisely because the person accepts his object as distinct, independent other and does not take it for an extension of his own self. Carrying the idea further leads us to the conclusion that consumers' acts in such relationships must differ from those noticed in relationships where the object represents an incorporated aspect of the self. It appears logical that one treats a cherished autonomous other differently than something that is subjected to and/or even merged with oneself. First and foremost, the accordance of otherness to the object also presupposes the acknowledgement of the other's individuality, personality and will. Therefore, acting upon and with the object as other, the consumer has to take into consideration the object's interest (cf. Habermas 1999).

We have settled on the exploration of emotionally intense consumer relationships, namely the case of consumer devotion (Pimentel and Reynolds 2004; Pichler and Hemetsberger 2007) because it comprises both aspects that we perceive as relevant for our study. Firstly, it provides an individual view on very strong emotional bonds with objects. In these relationships, it is more likely that consumers overcome their obsession with the instrumental value of the objects. Secondly, consumer devotion covers the behavior-related side of these relationships. Hence, we can analyze the so-called acts of devotion (Pichler and Hemetsberger 2007) in the light of the dialectics of self and other.

The article is organized as follows. First, we describe the concept of consumer devotion as it is defined in the consumer behavior literature. Second, we concentrate on acts of devotion which have already been explored in literature. In a third step, we deal with the dialectics of self and other in the context of interpersonal love relationships. This theoretical background originating from the fields of philosophy and psychology provides a balanced notion of relationships where both partners at the same time remain autonomous individuals (i.e. do not give up their self) and still take the other into consideration. Then we apply this view to devotional

consumer-object relationships. In a last step, a discussion with future research proposals sums up the article.

## CONSUMER DEVOTION

Several authors describe the same behavior nowadays subsumed under the term of consumer devotion in different contexts. Rozanski, Baum and Wolfsen (1999) portray consumer behavior typical of devotees, like high affective commitment, high involvement and a high propensity to act according to one's beliefs in relation with the worshipped object, but call it brand zealotry. Kozinets (2001) reports of Star Trek fans which choose the term devotion themselves to make plain the depth of their bonds to this TV series. In their study of Macintosh customers, Belk and Tumbat (2005) discovered extreme brand devotion fueled by religious motifs.

In summary, two common elements are regularly discussed in connection with consumer devotion. First, devotion is depicted as a highly emotional concept, reflecting very intense relationships between consumers and objects, or activities (Rozanski et al. 1999, Pimentel and Reynolds 2004; Kozinets 2001; Belk and Tumbat 2005). Second, it has been argued that the term 'devotion' also implies religious fervor and zeal (Pimentel and Reynolds 2004; Kozinets 2001; Belk and Tumbat 2005)

Pimentel and Reynolds' (2004) work is the first in the marketing literature to define the phenomenon of consumer devotion as a distinct concept. They locate devotees within the group of committed consumers. Consumers of this sort are more than just loyal and committed, though. Devotees can be characterized by extremely high commitment leading to an outstanding level of emotional bonding with a brand. To be more precise, Pimentel and Reynolds' (2004) work indicates that devotion is linked to strong feelings like love, as well as feelings of spiritual or religious excitement, and adoration.

The model of consumer devotion shows how consumers gradually develop more and more commitment, get ever more involved and ultimately reach the emotional state of devotion. This state of high affective commitment in relation with high involvement and feelings of love and fervor may be attained as well as perpetuated via 'pro-active sustaining rituals'. These actions affect the object of devotion directly. Their objective is to prevent its re-secularization and the waning of the consumer's high emotionality at the same time (Pimentel and Reynolds 2004). Pilgrimage, rituals, sacrifices, or the display of the object of devotion are just a few examples of such pro-active sustaining behaviors.

In terms of reasons for building and maintaining these intense relationships with objects, Pimentel and Reynolds (2004) draw attention to the sacred object's function as a source for identity construction and maintenance, but also as a means of communicating this identity to others.

Pimentel and Reynolds' (2004) approach to devotion focuses on groups and their social experiences and behaviors, and thus likens what has been defined as fandom in the literature (Hunt et al. 1999; Kozinets 2001). Thorne and Bruner (2006) also use the term devotion to circumscribe special fan behavior. In their typology of fan characteristics, devoted fans are those who profess deep involvement, and are willing to invest in, and sacrifice for their object of fascination.

In a recent article, Pichler and Hemetsberger (2007) try to further delineate devotion. They maintain that the individual and private aspects of strong emotional bonds with objects have been neglected in the literature as opposed to social phenomena, which are vastly dealt with (e.g. (sub)cultures of consumption (Schouten and McAlexander 1995; Kozinets 1997, 2001), brand tribe (Cova and Cova 2002), brand communities (Muniz and O'Guin 2001; Muniz and Schau 2005), brand cult (Belk and Tumbat 2005), and fandom (Kozinets 2001)).

By carving out devotion's individual facets, they attach more importance to consumers' non-conspicuous and intimately personal interaction with objects of devotion. Via the integration of dedication as behavior-related component into the concept, they draw further attention to the acts of devotion, and suggest that examination of these should be warranted in future research. Even if they mention a quasi-altruistic quality of devotion, which might be responsible for the enormous amount of actions undertaken by devotees explicitly for their object, they still neglect to go deeper into this idea.

## ACTS OF DEVOTION

Literature on emotional connections with brands, products, or objects in general, reports many ways in which consumers express and act out these bonds. Consumers can show their feelings for objects in very subtle ways. Wallendorf and Arnould (1988) found that the physical closeness to the favorite object, e.g. leaning against the object or touching it, in photographs is expressive of the consumer's felt degree of attachment to the object.

More active and obvious deeds motivated by the consumers' strong emotionality are emblematic for consumer devotion. Ahuvia (2005) speaks of "*labours of love*" (p.182), which require considerable investment of time and money, but are deliberately and willingly done, accepting that "*pleasure [can] be bought, but love [is] made*" (Ahuvia 2005, p.182). Along the same lines, Fournier (1998) refers to consumers' actions related to especially beloved brands. Aiming at the sustenance of personally valuable brand relationships, "*constant relationship work*" (Fournier 1998, p.361) is needed, mainly in the form of frequent consumer-brand interaction, consumption rituals and brand pledges.

Acts of devotion also help in securing the sacredness of objects. Keeping the sacred spatially or temporally separated from profane things may avoid their (re-) secularization, according to Belk et al. (1989). Thus, by setting the object apart from simple commodities one ensures, and simultaneously demonstrates, its special status. The continuous and repeated engagement in particular rituals fulfills the same function, i.e. it preserves and enforces sacredness; at the same time, it prevents the consumer from getting habituated to the object, with the effect that the object stays unique and central in the consumer's life.

A rather long enumeration of pro-active sustaining behaviors in relation with objects of devotion is given by Pimentel and Reynolds (2004). They list rituals, shrines, display behavior, collecting, creative efforts, pilgrimages, sacrifices, sharing/extolling, recruiting, and betting against odds. In the following we will take a closer look on a selection of those that have also been brought up elsewhere in the literature.

Ritualistic consumer behavior has first been investigated in depth by Rook (1985). His research set ground for understanding consumers' actual behavior in symbolic consumption. Rituals are sequences of expressive activities, which are dramatically scripted, performed, and repeated over time (Rook 1985). They may be acted out in private or in public, and aim at transforming an object symbolically (Belk et al. 1989). During these consumer-object interactions objects get imbued with private meanings (Richins 1994). Simultaneously, rituals structure the individual's daily life and add meaning to it (Rook 1985). One of Pimentel and Reynolds' (2004) informants, for example, narrates how he makes sure that he drinks at least one can of Coke a day and how he purposefully ritualizes the experience of drinking.

With regard to display behavior, Richins (1994) states that displaying possessions assists in the cultivation of assigned personal meanings. Pimentel and Reynolds (2004) and Kozinets (2001) both found that fans voluntarily show their venerated object, and even build shrines in order to enhance the object's visibility and presence in their home. These enshrinements of sacred possessions not only constitute worthy places dedicated to the objects; they also function as showcases and, maybe even more importantly, protect the objects from contamination with the profane (Belk et al. 1989).

Consumers with a high degree of emotional attachment have also been found to spread positive word-of-mouth (Carroll and Ahuvia 2006). High self-relevance of products entails active word-of-mouth, too (Chung and Darke 2006). Devotees are likely to act as missionaries trying to persuade and convince others of their object of devotion (Pichler and Hemetsberger 2007). Likewise, passion for an object has been shown to lead to consumers evangelizing others (Matzler et al. 2007). Exemplary cases can be found in Belk and Tumbat's (2005) work on Macintosh cult followers, where the authors also confirm that *„Mac believers engage in proselytizing and converting non-believers"* (Belk and Tumbat 2005, p.211).

An examination of collectors shows how they sacralize items by integrating them into their collection. As soon as objects are incorporated into the larger context of a collection they transcend profanity and become sacred. This process happens on volition of the collector; it nurtures, but also reveals his personal attachment to the single object as well as to the whole collection (Belk et al. 1988). Within the boundaries of the collection the composed things remain special. Collections serve as element of a person's extended self and thus are hypothesized to contribute to the collector's self (Belk 1988).

All of the afore-mentioned acts can be interpreted in the light of the prevailing paradigm, which stresses the focus on self-interest and identity. However, another perspective might shed light on additional behavioral patterns, or aspects of acts, that have been ignored so far. We propose to regard the object of devotion as an equal other in a mutual love relationship with the consumer. Similar to Belk and Coon's (1993) argument for the application of the agapic love paradigm in consumer behavior research, we want to show that this new perspective can offer rich insights into behaviors that cannot appropriately be accounted for within the self-centered perspective.

Just to give a short example, we would like to refer to one of the numerous examples of collecting behavior cited in Belk et al. (1991). Among these, the illustration of Sigmund Freud as private collector of antiquities bears considerable insights into the emotional profoundness and the behavioral consequences of enthusiastic collecting. Apparently, Freud's study room was full with antique objects from Asia. In sittings with his patients he had the habit of taking one of these antique objects, touching and fondling it. Furthermore, every morning before he sat down at his desk he formally greeted a special statue (Belk et al. 1991). These actions might seem peculiar and are only known to us because they have been witnessed, and later on bequeathed, by his patients. Belk et al. (1991) use the example of Sigmund Freud to portray typical aspects of collecting behavior. Still, they overlook exactly these two actions described above and consequently ignore their meaning. For a definition of typical collecting behavior these acts are negligible; nevertheless, from a point of view where emotional relationships to objects as equal other are at the center of attention, they deserve further thought.

## THE DIALECTICS OF SELF AND OTHER IN CLOSE INTERPERSONAL RELATIONSHIPS

In psychology as well as in philosophy many theories on love establish its becoming and developing, its components, as well as the contributing and deteriorating factors. In Fromm's (1976) theory, love is a productive orientation which implies that one cares for another, knows the other, is responsive and committed to the other, approves the other, and is pleased by the other. He defines concern, responsibility, and respect for and knowledge of the object of love as the four essential elements of love. Ideally, a so-constituted kind of love enables both partners to grow personally. Consistently, Beck and Beck-Gernsheim (1994) highlight love's purpose and ability to foster the autonomous development of the partners' personalities.

Fromm (1956) further posits that love's aim is union with the other, i.e. to feel one with the other. Even if the term "union" might be misleading, Fromm's idea is that when this union is achieved both partners keep their integrity, and thus remain independent individuals. Union, in his terms, does not imply the merging of the two personalities; neither does it lead to a giving up of individuality by the partners. According to him, the object of love does not influence the way one loves, since love is part of a person's character orientation and thus precedes the actual relationship. Consequently, the object of love may not only be a person, but also an idea, or a material object (Fromm 1976).

A caring relationship as defined by Mullin (2006) bears resemblance with Fromm's concept of ideal love. It involves reciprocity; it requires that both partners are aware of the other as a distinct individual, exhibit willingness for self-disclosure, and actually engage in self-disclosure; it needs the awareness of the relationship with the other from both partners; and it implies a mutual interest in the respective other. Consequently, the other person is valued for his/her particularity as an individual as much as for his/her contribution to the shared dyadic relationship (Mullin 2006).

Solomon (1990) also asserts that love relationships do not necessarily entail the abandonment of a person's individuality or independence. He maintains that more importantly love enables a negotiation of the interests and the independence of the self with, and in the face of, the beloved other's desires and motivations.

Describing the motivations for unselfish actions in love relationships, Luhmann (1986) states that *"love motivates one to act, not for concrete effect, but because such action has, or is assumed to have, a symbolically expressive, love-exhibiting meaning"* (Luhmann 1986, p.26).

Looking at devotional consumer-product relationships from this perspective clearly shifts attention to certain behaviors, and more importantly, to their meaning which has previously been ignored in consumer research.

## INTERACTING WITH THE OBJECT OF DEVOTION AS OTHER

Extensive information seeking can now be explained as an intense desire for getting to know the other intimately, to grasp the object's personality fully, and to gain a profound understanding of who "it" is. The resulting expertise in relation with the object of devotion not only reflects the genuine interest of the person in the object, it even signals a high degree of intimacy within the relationship. In so doing the person also enables the object to self-disclose. By letting the person explore the objects' unique characteristics, the object in turn enables the person to learn from it.

Consumers who assign certain special places or even rooms within their own dwelling to their venerated objects could be motivated by the idea of literally giving room and space to the object so that it can live and breathe. They build a realm of its own for the object, where privacy, security and shelter are guaranteed, and where the object can experience freedom and unrestrictedness.

Consumers in a relationship with an object of devotion are not likely to use the object in order to enhance their own status or to boast about it. More likely, they will treat the object with respect, as they perceive it as an individual personality. Their respectful interaction with the object will also be influenced by and expressed through their care for the welfare of it, as well as their consideration of its needs. One can think of collectors who pass on their collections to a carefully selected heir before their death (Belk et al, 1989; Belk et al. 1991). They might act in accordance with the presupposed interests of their object of devotion, i.e. their collection. If they feel they can no longer truly and adequately care for it, they might rather pass it on to the hands of someone who treasures it just as much, and who they hold to be a good partner. Similarly, in interpersonal relations, we know of persons who ask their children to take care of their spouse at times when they feel that their live is endangered or when they are already facing death.

The concern for the object of devotion may also lead to certain ways of treating it. Polishing, cleaning, and adjusting loved objects can be witnessed in many cases when observing enthusiastic consumers. Furthermore, careful restoration of the object ensures its ongoing existence, and is often a time-intensive proof of the consumers' love, concern and care.

Additionally, the genuine concern for the object's well-being can inspire more extreme types of consumer behavior. Complaining behavior and consumer resistance could result from a preoccupation with regard to a company's plans either to alter the product (which the consumer worships as object of devotion) or "harm" or "endanger" its unique personality in any other way. Consistently, word-of-mouth and related consumer activism can be interpreted as standing up or speaking for the object of devotion. All of these very active kinds of support convey the consumer's commitment to the object of devotion.

As the possibility for development and growth of the partners' personalities are crucial in ideal love relationships (Beck and Beck-Gernsheim 1994; Fromm 1956), a consumer who considers the object of devotion as equal other should also allow and nurture its self-expansion. This could be realized by means of transforming the appearance of the object as it can be seen in consumer innovations. Still, it is relevant to make sure that the core essence of the object remains unchanged. In an ideal and equal relationship the aim is not to change the object; it is to facilitate its own development instead.

Reciprocity is a basic requirement for all interpersonal relationships (Fromm 1956). Consumers can ensure this reciprocity in relation with the object of devotion by sharing what they have; be it their time, space or money. As a result, their relationship will stay vital and even evolve, and perceived intimacy and closeness may increase, as shown by Pimentel and Reynolds' (2004) in their account of the usefulness of proactive sustaining behaviors. Consumers who encounter intimate and close relationships with objects that are respectfully regarded as a personality of its own will also respect the other's needs in terms of space, time, and freedom. Devotion, therefore, is enacted differently than sheer passionate, compulsive, or addictive forms of relationships.

## DISCUSSION AND FUTURE RESEARCH

"The legacy of self-interest" (Bajde, 2006) has dominated consumer research for decades. Early critics of a purely self-centered view have been fruitful, but the paradigm of self-interest still prevails. In this article we strive to promote a different view of the consumer as both–interested in developing her self *and* the other. Despite all self-related and self-interested behavior, which we do not disavow, consumers also show other-related behavior towards objects of devotion and special possessions. Consumer devotion goes beyond ordinary feelings of desire, emotion, or attachment toward products. Consumer behavior literature has widely dismissed other-related consumer behavior and exiled it in the domain of social and cause-related marketing. However, devoted consumers are more than silly-looking adorers and bragging evangelists of their fetishes. Instead, they engage in respectful and caring relationships with objects and their producing companies in an attempt to compensate for their widely de-enchanted, mundane and self-centered lives (cf. Fromm, 1976). Instead of exploring the motivational definition and debate of other-related behavior, we decided to emphasize the behavioral aspect instead. Thus, the concrete acts of consumers in these specific object-relationships are the focus of our interest.

By doing so we strive for contributing to the development of the concept of consumer devotion. Using the distinct perspective explained above we were able to uncover forms of behaviors or acts of devotion, which cannot solely be explained by sheer self-interest, self-centeredness, or by the need to define or develop self-identity. We contribute to current research on consumer-object relationships by carving out distinct, private patterns of behavior, or acts of devotion that have been commonly overlooked, as for instance behaviors related to "giving room to" the other to develop her own identity and personality; or which bare new meanings upon closer inspection. Objects, then, are not (always only) 'mine' thus are no possessions, but rather self-standing and respected, 'outstanding' objects of devotion. This leads consumers to show respect for, take care of, gain expertise in, give room to, engage in sharing with, giving freedom to, help develop (innovate), carefully restore, and pass on their objects of devotion.

We also contribute to the extant literature on consumer-object relationships by introducing a complementary yet distinct concept apart from desire, brand cult, fandom, and other community-related forms of consumption hype: consumer-object relationships which encompass respectful, close, and cheerful acts of devotion.

Future research is needed that aims to uncover, investigate, and understand these acts of devotion. By introducing the gift-giving and love metaphor, Belk and Coon (1993), and Ahuvia (2005) have opened the field to a more balanced view of consumer behavior. We should further engage in research that accounts for both, self-centered and other-oriented consumer behavior, for several reasons. First, it allows consumer behavior theorists to better understand seemingly peculiar behavior and motivations. Secondly, it provides valuable insights for consumers themselves; how they should relate with their favorite objects without overextending relationships with objects; how they should construct their intimate relationships with objects without getting addicted and jeopardizing their personal relationships.

The main limitation of the present work is that our theoretical findings cannot be justified by empirical evidence within the scope of this article. Our further research will try to account for this lack and provide data.

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# Skin Lightening and Beauty in Four Asian Cultures

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## ABSTRACT

"Whiteness" or having white skin is considered an important element in constructing female beauty in Asian cultures. A dramatic growth of skin whitening and lightening products has occurred in Asian markets. Contemporary meanings of whiteness are influenced by Western ideologies as well as traditional Asian values and beliefs. In this study, we analyze print advertisements for skin whitening and lightening products in four Asian societies—India, Hong Kong, Japan and Korea. We compare the verbal messages and visual images for both global brands and local brands and across countries. We find that whiteness in these Asian cultures is both empowering and disempowering as well as both global and local in character.

## INTRODUCTION

"White skin" has emerged as a central desideratum of consumer culture in affluent Asia. Not only does skin lightness affect perceptions of a woman's beauty, it also affects her marital prospects, job prospects, social status, and earning potential (Ashikari 2003b; Goon and Craven 2003; Leslie 2004). The beauty ideal of white skin in Asia predates colonialism and the introduction of Western notions of beauty (e.g., Wagatsuma 1967). Contemporary meanings of white skin combine Western mass-mediated ideologies and traditional Asian cultural values. The popularity of Caucasian and Eurasian models reflects the postcolonial structure of commoditization and consumerism and is still influenced by a colonial past (Goon and Craven 2003). Western-centrism and cultural hegemony interact with Asian ideologies like Confucianism in strengthening the ideal of whiteness (Russell 1996).

Asian countries have long histories of utilizing white skin as a key criterion of personal beauty. In Korea, flawless skin like white jade and an absence of freckles and scars have been preferred since the first dynasty in Korean history (the *Gojoseon Era*, 2333-108 B.C.E.). Various methods of lightening the skin have long been used in Korea, such as applying *miansoo* lotion and dregs of honey (Jeon, 1987). In Japan, applying white powder to the face has been considered a woman's moral duty since the *Edo* period (Ashikari 2003a; 2003b; 2005). In India, white skin is considered as a mark of class and caste as well as an asset (Leistikow 2003). Historically, women (especially married women) in South India bathed with turmeric. Apart from the health benefits involved, it also has skin lightening and anti-inflammatory properties. In China, "milk-white" skin is a symbol of beauty and some Chinese women used to swallow powdered pearls in the hopes of becoming whiter (*China Daily* 2006). Although there are cultural variations, the desire for light skin is universal (Isa and Kramer 2003; Russell, Wilson and Hall 1992).

"Whiteness" remains an important element in contemporary postcolonial Asian understandings of beauty and has become a commodity in the marketplace (Goon and Craven 2003). Skin lightening products are popular not only in Asian cultures, but in other non-white cultures as well (e.g., Burke 1996; Del Giudice 2002; Duany 1998; Hall 1995; Lovell and Wood 1993). Fueled by increasing Asian wealth and growing consumer cultures, skin whitening and lightening products have recorded dramatic growth in Asia during the past several decades (Ashikari 2005). Mass media and the fashion industry play important roles in reinforcing the yearning for white skin. Advertisements also play important roles in shaping ideal self images for consumers (Belk and Pollay 1985), and are the focus of our research.

We studied how advertisers portray skin color to women in Asian cultures. Content analysis and semiotic analysis were used in exploring the notion of white skin in four Asian societies (India, Japan, Korea and Hong Kong). We compared the cultural similarities and differences in advertising skin whitening and lightening products by both global brands and domestic brands. We also studied the metaphors used in advertisements in order to understand the process of constructing the meanings of "whiteness" in different Asian cultures.

## THEORETICAL PERSPECTIVES

### Globalizing Notions of Beauty

In India, the words for fair and beautiful are synonymous (Franklin 1968; Hall 1995). In one view "whiteness" and "paleness" are distinct but related concepts, "signifying both distinction between, and collusion with, the historical myths of paleness associated with feminine discourses of beauty, and 'whiteness' as an imperialist, racialized value of superiority" (Goon and Craven 2003). Although, as we have already noted, ideals of whiteness embedded in Asian notions of female beauty predate colonialism and other forms of contact with the West, the prevalence of Caucasian models in many Asian advertisements for beauty products raises the possibility that beauty ideals are or are becoming global. According to a study of the Human Relations Area Files more than 20 years ago, of 312 different cultures, 51 used skin color as a criterion of beauty, and in all but four of these lighter skin was preferred (Van den Berge and Frost 1986). Russell, Wilson, and Hall (1992) note that while white is associated with purity, righteousness, decency, and auspiciousness, black is associated with wickedness, villainy, menace, and illegality. In Asia, skin lightening as well as cosmetic surgeries that provide a more Western appearance (e.g., Kaw 1993; Miller 2003) have been taken by some as evidence of the global appeal of Western and Caucasian standards of beauty (Goon and Craven 2003; Isa and Kramer 2003). But others reject this conclusion, pointing for example to the desire of white Western men for the dark exotic "Other" (e.g., Hunter 2005). This is a weak argument however in that the transgressive desire for Otherness may offer an element of perceived danger and excitement but has hardly brought about the homogenization of skin pigmentation through widespread intermarriage of dark skinned and light skinned people.

During the colonial era, and arguably before and after as well, rather than a homogenizing blending of skin color, there has instead been an attempt to distinguish the dark Other as "primitive" and inferior, thereby supporting the mission of the light skinned colonialist to conquer and control the natives of Africa, the Americas, Australia, New Zealand, and Polynesia (Torgovnick 1990). A

part of this project has entailed equating dark skin color with dirt, filth, and defilement (Spurr 1993). When Charles Darwin (1839) encountered the natives of Tierra del Fuego, he described them as "stunted in their growth, their hideous faces bedaubed with white paint, their skins filthy and greasy, their voices discordant, their gestures violent and without dignity." As Torgovnick analyzes William Rice Burroughs' Tarzan series, she finds that "As the series develops, it increasingly affirms existing hierarchies, including the hierarchy of male over female, white over black, West over rest" (1990, 46). And McClintock (1995) shows how advertisements for Pears soap depict its ability to magically cleanse the body of a black child and make it white, vividly illustrating the association of darkness with dirt. At the same time, advertisements suggest that the colonial mission of "civilizing" native populations necessarily involves imposing a global standard of Caucasian beauty.

## Cultural Meanings of Whiteness

In Japan, the Tokugawa government effectively sealed off the country from Western influence in 1639. It was not until 1853 that Commodore Perry and his American "black ships" forced Japan to reopen its ports. During the subsequent period of the Meiji Restoration, both Japanese men and women began to self-consciously imitate the clothing, hairstyles, and appearance of Westerns (Wagatsuma 1967). While early paintings of Western sailors show the men with dark tans (note too the image of black ships), Western women were shown as pale and white. By the 1920s, anything Western was regarded as modern and desirable (Wagatsuma 1967; Kinmonth 1981). This was also the case during and following World War I and World War II (Kato 1965). Wagatsuma (1967) reports a survey of Japanese men that found that they valued white skin as a significant element in judging the beauty of Japanese women and associated it with femininity, chastity, purity, moral virtue, and motherhood. In addition he found that the quality of *mochi-hada* ("skin like pounded rice") had sexual connotations for many of these men. However, this is a beauty ideal that is not the same as the Western use of cosmetics to enhance or change appearance. Instead it is a uniform fitting-in that has only become somewhat less severe than the use of lead-based face whitening in the Meiji era (Ashikari 2003b). More than 90 percent of middle-class Japanese women adopt this face in public and even those who tan their bodies avoid tanning their faces and use the standard color of foundation makeup (Ashikari 2003b). Japanese whiteness is thus about Japanese racial identity and according to Ashikari (2005) it is seen as quite different from and even superior to Western whiteness. Caucasian women are regarded as beautiful in Japan, although Caucasian men are more likely to be described as big-nosed "hairy barbarians." Still, they are regarded more positively than blacks who are described by some Japanese as bestial and animal-like (Russell 1996; Wagatsuma 1967).

In traditional Chinese culture, the idiom "one white covers up three uglinesses" (Bray 2002) still has currency. Most of the portraits of goddesses and Buddha have white skin. But in China too there was an historical influence of Western notions of beauty and fashion during from the late 19th and early 20th centuries, with strong similarities to contemporary China following the "open door" policies introduced in the late 1970s (Belk and Zhao 2003). Shanghai, along with four other Chinese "treaty port cities" and Hong Kong, was forced to open to the West after losing the Opium War in 1843. Western goods, fashions, films, and inventions flooded Shanghai as a result. This was a jarring development compared to previous periods when China regarded itself as the center of the universe and was largely impervious to attempts to import foreign goods. Women's appearances became increasingly Westernized in the 1930s and incorporated high heel shoes, furs, bobbed hair, and Western beauty products. Chinese women who adopted such fashions also became the target of an anti-foreign and anti-consumerist movement, the *Kuomintang* or New Life Movement. The Japanese invasion of China and World War II intervened, but this movement eventually led to civil war and the establishment of the communist party in China. Women's looks and clothing became decidedly less consumerist and Western under communism until the late 1970s. The recent rise of consumerism in China has brought about a resurgence of Westernized fashions. But the legacy of foreign conquests and humiliations of China have also led to a simultaneous love/hate relationship with the global and foreign in contemporary China (Belk and Zhao 2003; Zhou and Belk 2004).

In the long tradition of Korean shamanism, a person with white skin is respected. The myth of the Buryat Mongols of South-Central Siberia, where Korean shamanism originated, tells that the first superhuman was born white. In Korea, people who have white skin have long been told that they look noble. In the upper class of the *Koyro* dynasty (918-1392), children washed their faces with peach flower water to make their skin clean, white, and transparent, and girls before marriage were desperate to have white skin. Even for men, the skin complexion of a noble man was almost always expressed as being like pale jade (Jeon 1987). After the opening of its seaports to the foreign Powers since 1876, Western clothing, accessories, hairstyles, and make-up were distributed in the cities of Korea. "New women," who were also called modern girls, were very active in embracing Western standards of beauty. Names like *Marlene Dietrich*, and *Greta Garbo* were mentioned often describing beauty (Yoo 2001).

In Indian culture, "black" is associated with underprivileged people and is a symbol of "dark," "dirty," "wrong," "hell," and "unfairness" and is opposite to "good," "bright," and "well-being". White skin is always associated with positive messages in Indian and Hindu culture. It is taken as s sign of "beauty," "purity," "cleanliness," and "happiness," and is a symbol of power and privilege (Arif 2004). In Hindu religion, *Kali*, a dark-skin goddess, is a symbol of ugliness, cruelty, and destruction (Arif 2004; Leeming 2001) and manifests the negative association of dark skinned women in Indian society.

In sum, "whiteness" is an important sign in presenting and constructing beauty in many non-white cultures. Also, whiteness is associated with perceptions of gender, virtue, and cultural identity. Desires for "whiteness," under this chain of associations, is pursued for mixed reasons by women in everyday life. In the social context, white face and white skin can be identified as a form of performance (Goffman 1967, 1979), which presents and re-represents the beauty and virtue of an individual within the community.

## Classism and Racism: White Privilege

Differences in skin color are not only perceived as marking physical differences between and among groups of people, but also to mark social and cultural distinctions in terms of racial and historical background. Classism and racism develop socially rather than biologically, but markers may be artificially coded in terms of differences in skin colors. In color-ranking societies like America (Hall 1995), "double-consciousness" (DuBois 1969) and a dual perspective (Norton 1993) were common social phenomena in inter-ethnic interactions. The "light at the top" phenomenon spread over non-white cultures. Those with light skin and Caucasian-looking features have also enjoyed more respect in their communities (Russell, Wilson, and Hall 1992). Euro-centric ideology took root in many cultures with the rise of colonialism in the eighteenth century and with the spread of mass media and consumer goods in

the twentieth century. White males occupied the top of the social hierarchy while non-white females, especially black females, were at the bottom. People from non-white cultures, like African Americans, "bleached" themselves (first with folk preparations and later with commercial skin lighteners) in an attempt to blend in the dominant society (Hall 1995).

As Banton (1967) observes, race and ethnicity become the signs that lead to the assignment of positions in the overall system of exploitation. Mass media and marketers have aided and abetted this phenomenon by portraying distinctions between races and ethnic groups. Hollywood movies and mass media in the West frequently portray darker skin people as lower class, dirty, and evil, while white or light skin people are depicted as morally purer, better educated, more intelligent, and cleaner. Even Spike Lee's 1988 film *School Daze* emphasizes this prejudice. Dark skin continues to be associated with unpleasantness, dirt, crime, and disruption of society (Russell, Wilson, and Hall 1992; Hall 1995) as well as lower social status, while light or white skin is associated with purity and higher social class. This social stratification process exists in non-Western cultures as well. Dark skinned people in Japan are perceived as lower class (or farmers) since they work under the sun while light skinned people are more likely to have been sheltered indoors rather than working outside.

According to Lipsitz (1998, p. 3), "the power of whiteness depended not only on white hegemony over separate racialized groups, but also on manipulating racial outsiders to fight against one another, to compete with each other for white approval, and to seek the rewards and privileges of whiteness for themselves at the expense—literally—of other racialized populations". Stereotypes among whites and non-whites spread from the inter-cultural arena to intra-cultural contexts. "Civilized White" and "Barbarous Black" (Russell 1996) ideologies became internalized in non-white cultures. Light and fair skin tone become the desired skin tone and was perceived as "sign" of prestige within the non-white cultures on each of the world's continents.

## METHODOLOGY

### Data Collection

Advertisements for skin-related products are the focus of our analysis. As advertising is one of the important archival records for storing cultural images and texts (Belk and Pollay 1985), we sought to study how brands project ideologies and create or reinforce new standards via their images and messages. Six magazines (*Cosmopolitan*, *Elle*, a local high fashion magazine, a similar magazine for working women,[1] a movie magazine, and a bridal magazine) were collected from each of four Asian societies (India, Japan, Korea and Hong Kong) for a fixed time frame (March, June, September, and December issues in 2005). We focused on advertisements for cosmetics, skin care products, skin care services, foods and beverages claiming to improve skin quality, and other skin-related products and services. We did not include advertisements for shampoos, hair products, or plastic surgery. After removing duplicates, 620 advertisements were coded for comparison: 108 ads from India, 103 from Japan, 225 from Korea, and 184 from Hong Kong. Promotional articles, advice columns, and editorials were also examined, but are not analyzed here.

[1]A magazine for housewives was used instead in Korea because a prominent magazine for working women is not available.

### Data Analysis

Content analysis and semiotic analysis were used in this study. In the initial content analysis we recorded: information about (1) model's identity (Caucasian or Asian; local or foreign), (2) background color, (3) skin color of the model(s), (4) slogan, (5) product depiction (present or not present), (6) brand and product name(s), (7) function of products, (8) technology/ingredient(s) claims, (9) language used, and (10) appearance of model(s) (posture, body parts included, hair-style, hair-color, accessories). Skin color was coded using a standardized color wheel and involved fourteen possible categories ranging from soft ivory to cocoa. Each advertisement was coded by a research team member from the country in which the ad appeared. We then met to present, compare, and discuss the results of the analysis. This lead to more qualitative comparisons of the ads, cultural background discussions, and refinement of the codes employed.

In the subsequent semiotic analysis we focused on studying the metaphors invoked in the advertisement. Here we explored the implicit messages of the advertisements. We identified the signifiers and signifieds in the advertisements following Barthes (1964). We compared similarities and differences between global and local brands as well as cultural differences between ads from the four societies studied. The research team made these comparisons as a group following individual analyses of ads from each country.

## FINDINGS

### Notions of "Good Skin" and "Bad Skin"

Skin care advertisements in each country emphasized that "*good skin*" should be smooth, young, pore-less, line-free, bright, transparent, white, full, and fine. "*Bad skin*" is referenced in the ads as skin with fine lines, wrinkles, aging marks, pores, or yellow spots, and skin that is dark, scratchy, dry, dull, loose, or rough. The major causes of bad skin are presented as being aging, dryness, ultraviolet radiation (or exposure to strong sunlight), stress, air pollution, slow metabolism, lack of rest, overuse of cosmetics, and the formation of melanin.

### Functions/New Technology/New Ingredient

Product advertisements typically made multiple claims for their products. The main functions claimed for the skin care products in the advertisements are repairing skin, smoothing/removing wrinkles/lines/deep spots/yellow spots/black eyes/baggy eyes, itching/dullness/oil/grease/dirt, improving fairness of complexion, rejuvenating, brightening, cleansing, whitening, smoothing, or restoring skin, increasing moisture retention, maintaining elasticity, and preventing the formation of melanin. Statistics and survey results as well as government approval certifications were found in the skin color ads across the studied countries in order to suggest scientific proof of the efficacy of the products. Examples of these claims include the percentage of users who agreed that they had improved skin quality after using the product. Results of experiments were also cited to show effects, including increased moisture retention levels and reduced pore size. In Korea, although a few skin care advertisements included survey or lab test results, they were not emphasized as much as in the Hong Kong and Indian ads. Instead, acknowledgement of official approval of claims (e.g. wrinkle reduction, UV screening, and whitening) by the Korean Food and Drug Administration was common. Some of the ads emphasized formulation for Asian women's skin specifically. Technologies referenced included the use of Nano-technology in extracting essences from natural materials, dissolution of dirt, UV protection, and the addition of a protective layer to the skin. At the

same time, there were frequent claims of natural ingredients and extracts or essences of natural ingredients in the ads. Emphasis was very commonly on "natural" beauty as opposed to "artificial" or "man-made" beauty.

### A Lighter Shade of Pale

Caucasian models were most often used in ads for global brands like Estee Lauder and L'Oreal. Forty-four percent of Korean and fifty-four percent of Japanese ads used Caucasian models. Local models did not often appear in global brands' ads in Korea, Hong Kong or Japan but eighty-two percent of the Indian ads used Indian models or celebrities. One reason for this may be the recent globalization of Indian beauty as affirmed by a number of Indian winners of such global beauty contests as Miss World and Miss Universe. From 1990-2006 Indian models won 11 of these titles. The dominance of Bollywood film in India also diminishes the impact of Hollywood ideologies in Indian culture. Indian celebrities appear to be the dominant body ideals for Indian women. Domestic and regional brands (including Asian brands like Shiseido) use more local models in each of the countries studied. In Japan, celebrities who participated in Hollywood movies, including Kaori Momoi from *Geisha* and Koyuki from *Last Samurai*, are used in ads for global brands (e.g., SK-II). In contrast to the global brands' localization strategies (e.g., "for Asian skin"), here the Hollywood reference claims a more global status for local brands, playing on local pride. In other words, local models in Asian cultures are moving upwards towards the global standard–the western standard (Wilk 1995).

In the case of Japan, Korea and Hong Kong, the skin color of the model, whether Caucasian or local, is primarily soft ivory, classic ivory, and natural ivory. In the case of India, the skin color of models (who were predominantly Indian) tended to be more fair and Caucasian-looking. The skin color of models in advertisements that emphasize "natural" tended to be moderately light—either soft ivory or natural ivory. Models in these ads had minimal make-up, conveying a "natural beauty" look. The skin color of models for prestige brands, and ads emphasizing a somewhat older "classic" or "elegant" image, tended to be a lighter classic ivory. Thus, skin color is conflated with class and whiter skin costs more.

### Globalized Products, Localized Slogans/Themes/Metaphors

Global brands like Estée Lauder and L'Oreal distribute the same product lines in each Asian market studied. Variations of their product lines occur, but are minor. But localized advertising messages are used. We focus on Chinese ads for illustration in this section. For example, advertisements referencing Chinese traditions found in the Hong Kong magazines included: inner-body/ internal treatment, the power of white tea, claims of herbal ingredients, and combinations of herbal medicine and Western technologies.

Metaphors used in Hong Kong included collagen derived from sharks, presumably because shark fin soup is a luxury food served at Chinese banquets. Pandas were used to present the black eyes since "Panda's eye" is commonly used to describe a person who lacks sleep or is in an exhausted and extremely tired condition. Internal treatments of blood and the importance of harmonizing the body internally were often emphasized. This relates to *Qi* and the balance of *yin* and *yang* as well as the basic elements in Chinese foods and medicines. Also, skin care advertisements sometimes claimed that they follow the traditional Chinese Imperial Palace secret formula. Pearls, gold, and platinum were used to emphasize luxuriousness in these ads, while water, clear sky, and natural environment were used to suggest naturalness. Symbols like gold, aristocrats, and luxury foods like sharks' fins and birds' nests were

found in the skin care advertisements in Hong Kong. Other ingredients like *Ling Zhi* and *Song-Yi* mushroom (*Matsutake tricoloma*), which were used traditionally by upper class families and emperors for retaining the skin whiteness are now touted in skin whitening ads (Onions 1998).

"Natural" was found repeatedly in advertisements of each country, In Hong Kong these appeals were also localized with natural ingredients like the essence of white tea (Origins), Chinese herbal medicine (like *Ling Zh*i and *Agaricus*), and minerals from volcanoes or hot-springs. Common slogans for skin lightening products and services included rejuvenating yourself, brightening and lightening your skin, stopping time (associated with aging), perfecting your skin, creating pearl-like (MaxFactor)/water-like/ baby-like skin, climbing the peak of beauty, controlling your future (Olay), increasing confidence and attractiveness. For example, Missha's "Illuminating Arbutin Skincare" collection emphasizes that the product can turn users' skin as white as the snow. "Many messages ask for close attention to the deeper level of skin. Seemingly unproblematic skin turns out to be the problematic when it is seen from its roots. The detection of early symptoms of bad skin and the correction of defects as early as possible is emphasized. Technology also played an important role in these messages with frequent references to advanced technologies bringing in "new" methods to skin care and magical effects to the skin. For example, Sofina's "Whitening Deep Science" emphasizes the newly developed technology that can avoid the formation of melanin. The appeal to advanced technology emphasizes belief and trust in science to minimize poor or declining skin quality.

## DISCUSSION

### "White Skin" as "Cultural Capital" in Asian Society

White Skin, in our findings, combines with other socio-cultural symbols such as the natural environment, fresh air, blue sky, and water, in order to emphasize purity and naturalness. Also, in Asian cultures, white skin is perceived as a sign of luxury and prestige. Asian celebrities with white/fair skin also link their success with whiteness/fairness. Altering skin color implies success in controlling the body and thereby achieving an ideal body image (Miller 2003).

Thompson (2004) introduced the Gnostic mythos, which refers to the "ideological wedding of technology and transcendence" (Noble 1999; Thompson 2004). A similar emphasis on technologies in skin care and whitening industry played an important role in building consumers' expectations for the Cinderella-like transformative power of the products advertised. Natural ingredients or essences create a sense of natural health for consumers (Thompson and Troester 2002) and emphasize the natural beauty of the skin. Since ingredients were frequently touted as derived from naturally existing organisms (especially plants), it was also implied that our (consumers') bodies can adapt to these components with minimal side-effects like allergies.

At a theoretical level, whiteness is a source of symbolic cultural capital (Bourdieu 1984, 1986) that is associated with upper class images, luxury, prestige and success in Asian cultures (Rhada 2007). Also, a natural white skin is associated with advanced in technology, while at the same time claiming natural ingredients, and body control as discussed below.

### Body Control, Empowerment and Disempowerment of Asian Women

From our findings, white skin is always linked with naturalness. In "naturalizing" skin it is implied that this is the natural order of things from which we have departed. Women who have white and

fair skin were perceived as "normal" and others who fail to achieve a fair complexion are suggested as failing to manage and control their bodies. Internal factors that are accused of causing "bad skin" include aging, stress, inadequate relaxation, and abnormal body conditions, while external factors are suggested to include air pollution, dryness, humidity, and strong sunlight. In Thompson and Troester's (2002) study, restoring the harmony of the body is one of the conceptual goals of natural health. Having a healthy skin, according to Crawford (1985), is a matter of self-control, self-discipline, self-denial, and will power. Skin care product advertisements frequently call consumers' attention to tiny defects of skin or invisible sources of troubles and ask them to control these things in order to have good skin. In order to have good skin, consumers are required to apply the advertised products every day. This self-surveillance and internalization of skin care regimens underwrite most of the advertisements. Fear of the invisible enemies of the skin creates skin care disciplines and exemplifies strategies of modern governance (Foucault 1984, 1985). Skin care products are advertised as capable of improving skin quality as well as controlling the skin's quality under extreme conditions. Naturalness is essential in the skin care context, and advertisements use words like "recover," "rejuvenate," "repair," "prevent," "refresh," "retain," and "revitalize" to emphasize that the product will help to regain and maintain the user's skin rather than "change" and "alter" it like plastic surgery. "Flawless" skin is presented as the fundamental skin type of humans and any flaw is therefore unnatural. Success in controlling the human body and reversing the natural order is appealed to through controlling and altering skin color. It is the outward sign of inner beauty. The emphases on technological advancement and new ingredients promise to enhance this control by adopting Western technologies, but also celebrate the broader human control over nature.

Whitening and lightening skin has both empowering and disempowering functions for women. In Asian cultures, women were oppressed for long periods of time. In China, women were labeled as mere attachments to men. The Confucian Doctrine of Threefold Obedience (*san cong*) was established in *Li ji*, and held that women were subordinates to their fathers as girls, to their husbands as wives, and to their sons as widows (Raphals 1998). Likewise in Korea during the Choson dynasty (1392-1910) middle class women were sequestered within the center of the household and were not allowed to venture forth uncovered or on their own (Song-mi 2003). The ability of whitening and lightening skin to empower women lies in delivering power in controlling their own skin tone as well as bodies. This empowering action also liberates women from men's control. Along with the increasing social status of women in contemporary Asian societies, women become important agents both at home and in the workplace. However, contemporary women are disempowered in the same manner. Women, even when empowered to control their bodies and skin tone, still follow the external control of a beauty standard. As noted above, they also succumb to a strategy of modern self-governance. In this sense, women are still following the social norm and are working hard to achieve social acceptance in order to secure their social status as well as accumulate social capital in society.

## CONCLUSION

Whitening and lightening skin products have recorded a dramatic growth in Asian markets over the past two decades and are the best-selling product categories in the Asian beauty industry. The long histories of the desire for white skin and fair skin has collided with technological developments and marketing forces. Skin whitening and lightening products not only promise to fulfill the desire for white and fair skin as a route to higher status, but also empower women to control their own bodies and alter nature. On the other hand, whitening and lightening skin are a social norm that "forces" women to follow such trends and standards as well as marketplace mythologies (Thompson 2004). Failure in following this norm will result in low self-esteem and social status. In social interaction contexts, white and fair skins are social symbols and regimes. The notion of beauty is socially constructed and its meanings are changed and maintained by social forces.

The desire for white and fair skin is a global phenomenon especially in non-white cultures and is not limited to Asian contexts. African, South American and Middle-Eastern cultures also have their own traditions of skin whitening and lightening. This study explores how skin whitening and lightening products construct the contemporary notion of whiteness in Asian countries and interprets how this notion reinforces the embedded meanings of whiteness and beauty in Asia.

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# Keeping it in the Family: How Teenagers Use Music to Bond, Build Bridges and Seek Autonomy

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## ABSTRACT

This paper seeks to explore teenage use and consumption of music within families and to develop the concepts of 'connection' and autonomy seeking within families relative to popular music consumption. Social trends indicate that the composition of the family will continue to change and, as such, this research will also examine the impact of changing family structures on music use and consumption. This research involved 24 in-depth interviews with both early and late adolescents. The findings from this research sample suggest connection (bonding and building bridges) through music is most relevant for teenagers raised in step parent families. Evidence of affinity or autonomy seeking behaviour may also be ascribed to family type.

## INTRODUCTION

The significance of popular music and the importance of it to people's everyday lives has received little attention among the marketing and consumer research academy (Holbrook, 1986; Holbrook and Schindler, 1989; Lacher & Mizerski, 1994) although researchers have more recently examined the role music has played in satisfying particular emotional needs (strategies for coping), social needs (belonging and identity) and developmental needs (the socialisation 'journey') of adolescents [See Arnett, 1995b; Larson *et al*, 1989; Larson and Kubey, 1983; Lull, 1987, 1992; Rubin 1994].

To further understand adolescent music consumption and the way in which music facilitates or impedes teenage familial relationships, an exploration of music consumption within the context of this social environment will enhance our comprehension of music consumption. As Shankar (2000:28) posits, "*to fully understand consumption, researchers need to move beyond the purchasing of products as the focus of investigation and consider what people do with the products they purchase. Popular music consumption is an excellent example of when the experience of using the product (as opposed to the act of purchasing the product) is fundamentally important to help our understanding of popular music consumption in general*". If the experience of using music is important, the ways in which music can be used in a variety of teenage familial relationship situations and how and why this varies will contribute to knowledge in this area.

## SOCIOLOGICAL RESEARCH AND MUSIC CONSUMPTION

De Nora (2000), in her sociological research on music in everyday life, suggests that in order to fully understand how music is used and understood by others the investigator ought to consider how music 'actually comes to work in specific situations and moments of appropriation' (pg.31). That is, the force or significance of music is dependent on situational circumstance and human-music interaction. It would appear that by generating an insight into the teenage situational music consumption within families and the varying levels (force) of the influence of music, a deeper understanding of consumption and the use of music can be realised. However, it is also clear that researchers cannot decide what music means to others and it is important to identify *for the respondents* how and in what ways music works in specific social situations (Cohen, 1993; Bennett, 2002).

Frith (1996) argues that music can articulate a sense of social meaning and as such can be inclusive or exclusive. Music, however, has principally been discussed with reference to it being inclusive or the way in which it facilitates belonging, solidarity and consensus (Negus and Velazquez, 2002). Further to this DeNora (2000: 109) suggests that music can be used to connect: "*Music can be used to organise disparate individuals such that their actions may appear to be mutually oriented, co-ordinated, entrained and aligned*". Yet the use of music is equally applicable in situations of autonomy seeking and ambivalence. How might teenagers consume and use music to facilitate or impede their familial relationships? What is the role of music within these changing structures and how might teenage consumption and use of music vary in different familial types and situations? Indeed, there is a growing necessity to consider differences between family constitution (intacts, stepfamilies and single parent families) [See for example: Falci, 2006] and this research is pertinent given that social trends indicate that the composition of the family will continue to change.

In 2005, Ekström highlighted that while marketers, social policy makers and consumer advocates had historically taken an interest in family consumption, the focus tended to be on decision-making within families. A call for research that required "rethinking both the concept of the family and consumption in a family context" supports the very essence of considering teenage music use and consumption within familial relationships and against a backdrop of changing family structures. Further to this, Ekström poses the question "To what extent does consumption connect or disconnect families?" (p493). This research specifically considers connection and disconnection relative to adolescent music consumption.

## FAMILY RELATIONSHIPS

During adolescence the teenager remains connected to important family members but seeks to redefine these relationships in relation to his or her increasing sense of a unique and competent self (Burns and Dunlop, 2002; Youniss and Smollar, 1985). Normal adolescent development is marked by an interactive exchange in which both parents and adolescents seek a balance between conflict and alliance (Jory *et al*, 1996) or autonomy and regulation. Indeed, the quest for autonomy as illustrated by Csikszentmihalyi and Rochberg-Halton (1981: 118) is a fundamental part of adolescence: "*…for the teenager mastery over the inner states…is paramount. One must become 'captain of one's soul'–this is often accomplished by becoming 'cool' which is the easiest way of showing one's self control or independence [autonomy] of outside forces*". Music is one way in which this can be achieved.

In addition, the 'day-to-day' window on everyday lives within families (car journeys, watching TV together, listening to and the role of music) may afford a greater opportunity to explore not just points of conflict but ways in which parents bond/interact with adolescents and *vice versa*. It could be that adolescents display coping strategies through music in an effort to maintain the equilibrium and that 'connecting' may be akin to affinity seeking which is defined as "the different ways young people get their parents to feel positive about them" (Flint, 1992, p418).

## MUSIC GENRES AND FAMILIES

Schwartz and Fouts (2003) report that eclectic music tastes are more usual for teenagers who have less difficulty negotiating their adolescence. That is, they have fewer family problems, better peer relationships and do not experience significant issues regarding self-concept. Several authors [See Hansen and Hansen, 1991, Bleich and Zillman, 1991, Arnett 1995a] have noted how the consumption of different genres of music by teenagers is influenced by the felt state of conflict with parents and/or restrictive conditions of their teenage lives. What these studies have not attended to is the role that music plays in facilitating or impeding relationships with parents and siblings and if consumption of specific music genres are related to specific family relationships and familial structures. It may be that when individuals journey through adolescence or experience change (e.g. family disruption) '*the altered self has to be explored and constructed as part of a reflexive process of connecting personal or social change*' (Giddens,1991:33) and a number of possible selves may emerge (See: Goffman, 1963).

## THIS STUDY

Adolescent use and consumption of music is explored here within the context of the family. The research is designed to consider if and how music facilitates connection or disconnection within families. Further to this, teenage music consumption in a variety of family structures and types (single parent, blended and traditional) is examined to explore if there is any association between music consumption and family type.

## METHOD

Given the exploratory nature of this study and the complexity and sensitive nature of the phenomena (family life) in question, in-depth interviews appeared to be the most appropriate method to address the issues raised. The main thrust of this research involved 24 longitudinal in-depth interviews with adolescents to gauge the way in which they chose, used and consumed music relative to their environment. That is, twelve adolescents were interviewed and then the same adolescents re-interviewed six months to a year later. Music vouchers (£15) were used thank the respondents for their involvement in the study.

Whilst it is possible to consider different age groups of adolescents and provide a 'longitudinal' view where variables are consistent (using gender, socio-economic group, level of education, race), the accuracy of this approach is not as reliable as 'following' individuals through time. This is particularly true where individuals experience different situations over a period of time (illness, parental divorce, exams, change of friendship groups etc). It is only by asking the same individual to consider their experiences over time (and in this case how it influenced music choice, use and consumption and subsequent expression of identity) that a true reflection of an adolescent's 'journey' can be proffered. The teenagers were shown a diagram that included words such as exams, illness, new friends etc. during their second (longitudinal) interview to help them identify anything that had happened to them over the previous 6-12 months that may have influenced their music consumption. The sampling was purposive where respondents were handpicked on the basis of their typicality (age, gender and family type). See Table 1.

## DESIGN

The interview was designed in three phases. Initially, photographs were taken by the adolescents before they arrived at the interview so they could be presented and discussed as an opening to the start of the dialogue. This was to look at what they valued most in their personal life and to contextualise their responses and also

how this may change over time. This was repeated for the second interview. Harvey and Byrd (1998) indicate that *early adolescence* (12-14 years) is mostly about acquiring information and experience, whilst *late adolescence* (15-18) is characterised as being a period of identity development in which the information obtained earlier is used to build and consolidate a new identity. The longitudinal interviews also allowed differences between age groups to be identified.

The second phase of the interview utilised the 'draw and write' (projective) technique, designed to encourage the adolescents to express what music meant to them. This technique was employed during interview to elicit greater insight into how they felt about music (external view) and also as a basis for discussing the meaning of music to them personally and what role it played socially (within the family). Finally, when the interviews were finished, the respondents were asked to complete a blank card with their thoughts on the interview. The interviewer then wrote their thoughts on the interview on the other side. In this way, a record was maintained of the interviewer-interviewee perception of what had been discussed. This was taken into account when interpreting the data (e.g. one respondent, for example, felt he was being encouraged to discuss specific artists when he wanted to convey meaning about specific genres).

## DATA ANALYSIS

The data collected from the interviews was analysed using the Ritchie and Spencer (1994) *Framework* analysis method. This method depended on the manual coding, charting and mapping of the data. Initially the researcher familiarises themselves with an overview of the range and diversity of material which has been gathered. Secondly a thematic framework was identified. During this stage, the key issues, concepts and themes were further explored. The data collated from the interviews was systematically indexed (relative to the key themes of identity, music and family). Finally compiling charts for each subject area with headings and sub-headings drawn from the index allows comparison between the themes and issues as dictated by the respondents. The transcripts were also referenced to allow each source to be detected. Key themes and sub themes from all phases of the interview data (including the photos, draw and write technique etc.) were drawn together and interpreted.

## FINDINGS

The data analysis facilitated a greater understanding of the way in which music was used and consumed within families. This research further developed the ideas of Shankar, 2000) relative to the experience of consuming as opposed to purchasing popular music, in addition to considering music consumption in a variety of social situations (See Cohen, 1993; Bennett, 2002). It was evident that although music was used by the adolescents to seek autonomy from the confines of the family (developing the work of Csikszentmihalyi and Rochberg-Halton, 1981), there were also many examples of music being used within the family to 'connect' or 'disconnect' with parents and siblings. There was greater evidence of music being used by teenagers to connect with families where their families were blended (step parent families) or single parent families. Interestingly music was also used by their parents to 'connect' with their children. Teenagers raised in intact or 'traditional' families appeared to be less inclined to use music to form 'connections' within the family.

The following section initially examines how teenagers use and consume music within families to elicit a deeper understanding of music use, followed by how music is used to 'bond' (connect). Finally the extent to which music is used to seek autonomy will be

## TABLE 1
Sample of Adolescent Respondents for In-Depth Interviews

| Age | 13 | 13 | 13 | 14 | 14 | 14 | 15 | 15 | 16 | 16 | 17 | 17 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Gender | G | G | B | B | B | G | G | G | B | B | G | B |
| Family | B | S | I | B | S | I | B | S | I | I | B | S |

Notes: Family Type: I=Intact, B=Blended, S=Single

explored (disconnecting). A discussion will follow to consider if a window on 'day-to-day' behaviour can contribute to our understanding of consumption within families.

### CHOOSING & USING MUSIC

To establish the extent to which music was shared within the family, the teenagers were asked if they ever listened to music as a family and how that made them feel. While all respondents did listen (if somewhat infrequently) to music as a family, the respondents raised in intact families were more vocal in their dissent: *"I've tried to listen to it [parents' music] with them but I just don't get that feeling I get from other types of music."* (Initial interview: Male, 16). This was true of both early and late adolescents in intact families.

Although consuming music as a whole family was rare, it seemed that trips in the car were the most regular and perhaps the most obvious opportunity for families to listen to music together. It was adolescents raised in intact families who most frequently commented on music consumption in the car and, in some cases, made disparaging remarks about their parents' tastes in music. However, adolescents also had strategies for ensuring that the choice of music in the car would be to their liking. This quote (See B/1: Intact 2:Table 2) is from a late adolescent who was more likely to have consolidated his identity (Harvey and Byrd, 1998) and was keen to illustrate the way he managed music consumption. He was planning a trip to France in the car with his family and had made up a number of cassettes with a mix of music on them.

Some teenagers raised within intact families however, admitted to borrowing some of their parents CDs (both during early and late adolescence)–perhaps reflecting a more eclectic taste. This further supports the work of Schwartz and Fouts (2003).

Those raised in intact families also appeared to encourage eclectic music taste among younger family members. This may be because they were encouraged to have a diverse music taste themselves (Tarrant *et al*, 2000) and were in turn socialising younger siblings. This was particularly true of late adolescents.

Respondents raised in blended or single parent families certainly seemed more accommodating in their music consumption within the family. Many of the respondents acknowledged they perhaps had different tastes than other family members but were quick to provide excuses (ie generation gap etc). They often appeared to yield to the tastes of other family members (siblings) or simply used music as a way of maintaining and developing familial relationships. For teenagers raised in single parent families, music appeared to be a very significant part of the family culture, transcending generations in both early and late adolescence (See B/8: Single 2: Table 2).

The issue raised here is the way in which parents may simply pass on their taste in music and that stereotypically negative music consumption by adolescents may not reflect their felt state of confidence or self-worth (See Tarrant *et al*, 2000). Indeed, it would seem, at least in this case, that the music consumption in this single parent household was an inherent strand of the familial culture.

Finally, position within the family appeared to relate to acceptable types of music consumed by family members. While one late adolescent respondent discusses her younger brother, she is adamant he cannot like the same band as her (Placebo) and clearly disassociates herself from his other music tastes (Busted)-See A/6: Single 1: Table 2.This suggests that in some cases, the adolescent perceives that it is better to listen to the music their parents listen to as opposed to being seen to like the music their younger siblings prefer–perhaps to illustrate a consolidated identity. Of course, the extent to which teenagers engage in consumption of music with other family members may be attributable to the 'connection' or relationship they have with their parents or siblings. The following section explores the way in which the adolescents in this research project had a 'connection' to maintain or develop within the family and how this affects music consumption.

### CONNECTING

The concept of connecting is considered by the authors to be a gesture or behaviour that is displayed by the teenage respondent that suggests the teenager is attempting to bond with a family member or maintain a position within the family as part of the family culture. The issues covered in this section therefore reflect this concept and bonding, affinity seeking behaviour and building bridges are considered here.

When considering the respondents' level of bonding with family members during the initial phase of interviewing, it seemed apparent that females, early adolescents and those raised in single parent or blended families, appeared most likely to attempt to bond with family members and/or seemed to place more importance on the family than their peers raised in intact families.

Reviewing the longitudinal data suggests both early and late male and female adolescents raised in single parent and blended families are more likely to place a greater level of importance on family members and the relationship they have with their parent/s even if that parent no longer resides in the family home. Whilst the sample was small, this pattern was evident in this data. Using ways in which to bond or seek approval from a parent/s appeared to be notable for those raised in blended and single parent families (See B/4: Blended 2: Table 3). Interestingly, this quote supports the assertion by Youniss and Smollar (1985) that fathers are more judgemental. Even though this father lived outside of the family home and although this male adolescent appeared to be an active negotiator (Jory *et al*, 1996) there was an obvious need to justify or support decisions that had been made.

Even in single parent families where the communication approaches seemed particularly poor, there still seemed a desire to be convergent, whether this materialised or not (See A/4: Single 1: Table 3).

Bonding closely with family members certainly seemed more characteristic of teenagers raised in single parent and blended families. As Solomon (2002) suggests, it may be that because

**TABLE 2**
Choosing & Using Music

| Case No./ Family Type/ Interview | Choosing Music | Case No./ Family Type/ Interview | Using Music | Case No./ Family Type/ Interview | Socialising other family members |
|---|---|---|---|---|---|
| **B/1 Intact 2** | *"Well I'll have to make enough tapes to not get boring and I expect my parents will probably have a choice between each tape that will be made by me anyway. In France [on holiday] they'll think they have control but it will be like voting in China."* | **A/3 Blended 1** | *"I listen to the type of music my mum listens to. If I didn't then I reckon that that would be something that my mum didn't have in common with me…our relationship would be a little bit more down because we talk about [music] a lot."* | **A/4 Single 1** | *"I try to influence my little brother [taste in music] he started listening to Red Hot Chili Peppers the other weekend, I think that's more just because I do it so he wants to do it as well, like copying."* |
| **A/5 Intact 1** | *"They like different types of music that I'm not so fond of– you've just got to feel sorry for them, they obviously have no taste."* | **B/8 Single 2** | *"I was kind of brought up on it because my mum liked Nirvana and stuff and when they were out [I listened to it] and I was just brought up listening to it and then as I got older I liked it more and more and developed my interest in it."* | **A/6 Single 1** | *"He doesn't really listen to music but he pretends to like Placebo, or he has got the Placebo CD but I don't think he really listens to it. He likes Busted which is nothing to do with me."* |

'openness' or democracy with a family is always undermined by a struggle for control, that convergence for teenagers raised in single or blended families was a strategy for maintaining or developing an element of control in their relationships. Autonomy seeking behaviour as posited by Csikszentmihalyi and Rochberg-Halton (1981) may be less important in these family environments and autonomy seeking behaviour may be replaced by affinity seeking behaviour.

Music was also used to make a 'bond' more special where new family members had come into the existing family environment.

There were however, a similar number of examples where music was used as a barrier that allowed the adolescents to seek autonomy from the family confines (more obvious but not confined to early adolescents). Specifically the issues raised by the respondents in relation to autonomy seeking were: the role of conflict, the role of additional family members, number of 'selves' and social stroking. These will now be considered in turn.

**DISCONNECTING**

When considering the data from the respondents raised in intact families, it was evident that this sample of teenagers was less concerned with appearing to seek autonomy from the rest of the family particularly in late adolescence. This may have been because they were encouraged to be more eclectic in their music tastes (as indicated by Schwartz and Fouts, 2003) or may have been because they were less fearful of conflict and felt able to seek autonomy as illustrated by Csikszentmihalyi and Rochberg-Halton (1981).

The respondents raised in blended or single parent families largely appeared also to have different music tastes from their immediate family (parents/siblings) but were clearly using an additional family layer (uncles/aunts) to source music that they recognised their parents, in particular, would not welcome. Interestingly, girlfriends of adolescents' fathers living outside of the family home also featured as a source of (different) music or appealing music tastes (See B/4: Blended 2: Table 3). (Coping) strategies then were employed to express autonomy. That is, for these respondents, the intensity of autonomy seeking from the family was no greater (force) or quicker (time) than that of the interviewees raised in intact families, but there was evidence of a different strategy in order to express this autonomy from the family.

It is known that adolescents' gender and self-esteem may affect their coping styles (Mullis and Chapman, 2000). Indeed Moos (1990) reported that adolescents with low self-esteem rely on emotion-based strategies (ventilation of feelings) in coping, whereas adolescents with high self-esteem relied on strategies directed at problem solving. This research suggests that those raised in single parent and blended families did not necessarily display lower levels of self-esteem in this instance as their strategies appear to have been solution-oriented.

What these findings also seem to indicate are that teenagers raised in blended and single parent families appear to have a greater number of identities. That is, Goffman (1963) describes individuals as having a number of 'selves' and it would seem that the teenagers raised in intact families have fewer 'selves' or do not feel the need to have a number of multiple selves. This may be because they are less concerned with what others think of them or because they have a level of stability not felt by teenagers raised in blended or single parent households.

Finally, it seemed as if respondents raised in blended or single parent families looked for reassurance (social stroking) to a greater

**TABLE 3**
Examples of Bonding, Affinity Seeking & Disconnecting

| Case No./ Family Type/ Interview | Choosing Music | Case No./ Family Type/ Interview | Using Music | Case No./ Family Type/ Interview | Socialising other family members |
|---|---|---|---|---|---|
| B/4 Blended 2 | *"I'd probably show my dad the picture of my guitar because he'd like to know what I'm doing and I'm interested in that. My dad was one of the people I had to try and convince that I was going to be committed to it. I mean he knows now that I am committed…and I think it would be nice for him to know that I'm really serious about it and I want to carry on."* | A/4 Single 1 | *"I think it's because I like my friends and I want them to come across well because I want to help mum see what great people they are."* | A/9 Intact 2 | *"It' s none of their business really is it [what my parents think of what I do]. Obviously if they say to me, I don't want you to listen to that, then it's going to make me listen to [music] it more, so I'll end up doing it anyway.…"* |
| A/7 Blended 1 | *"My mum likes Kenny Rogers and Michael Bolton and I suppose it's not that bad."* | B/4 Blended 1 | *"I think when they were younger things were different and as they've grown up they've forgotten about the music they used to like so I asked them, did you like the Monkees and they'd say oh I can't remember and it was like… they probably did, they probably had posters all over their walls."* | B/3 Intact 1 | *Interviewer : So they might want their parents to be fashionable?* *"They might say, after they're picking them up, please for one night just play this music and don't do what you usually do please."* |

extent. That is, it appeared that they needed to know that escaping the family confines was 'normal' and asked their parent/s about their own 'disconnection' experiences (See B/4: Blended 1: Table 3). This may have simply been curiosity or the mark of normal adolescent identity characterised by a balance between conflict and alliance (Jory *et al*, 1996) but the necessity for social stroking was regularly raised within this category of respondents as an issue and therefore would seem to reflect a consistent pattern although this needs further exploration.

## DISCUSSION & CONCLUSION

This research sought to explore and develop an understanding of music consumption within families and illustrated that music plays a significant role in connecting families whilst allowing some (early) adolescents the opportunity to use music as a barrier to connection. The key themes that emerged from the findings were connection and disconnection. Each of these themes illustrated that there is merit in further exploring the role of family type relative to popular music consumption. Whilst this sample was limited, the data was rich and it was evident that there was an emerging pattern relative to family type and the role of music although clearly these cases cannot be generalized.

Teenagers raised in intact or traditional families appeared to display an eclectic approach to music and early adolescents could be readily dismissive of their parents' music. Late adolescents raised in blended households in this sample were more inclined to use music to build bridges with new family members and also retain a link with family who no longer lived in the same household. There was evidence of intergenerational fandom and also illustrations of coping mechanisms. The extra 'layer' of family (e.g. father's girlfriend) utilized by teenagers raised in blended and single parent families raises the notion of kinship and a wider sense of community where previous studies have focused on materialism and individualism.

Possibly the most important aspect of this research is the notion that it is possible to learn about influences on family consumption from the everyday behaviour of adolescents and their families. For example, the apparent reticence of late teens raised in blended households to engage in conflict relative to music consumption may translate into more compliant behaviour in other consumption situations. The concept of those raised in blended households illustrating a greater number of 'selves' also supports and develops the study of Rindfleisch *et al* (1996) which suggests that children raised in disrupted families are more materialistic

possibly to maintain a greater number of selves. As future research ought to explore the extent to which the building and maintenance of social relationships are key factors in understanding brand choice (Auty & Elliott, 2001), this initial exploratory study may provide some insight into family life and its relationship with consumption.

Examples of late adolescent brothers socializing their younger siblings (intragenerational learning) may also apply to other consumption situations and may be relevant for both practitioners developing communication campaigns and policy makers considering key opinion leaders who may be influential in facilitating campaigns associated with specific behavioural concerns (e.g. underage drinking, smoking, unhealthy food choice).

In the future it would be interesting to explore how long the blended or single parent families had been such, especially if the teenager had been part of an intact family to begin with and whether this makes any difference in their needs expressed through music. Conversely, exploring how parents use music (affiliation versus autonomy seeking needs) may also add to the body of knowledge in this area.

Given the continuing change in the West with regard to family structure, the findings of this research may be indicative of the changing nature of consumption. Although this research has not taken into account other salient factors that may affect consumption (peers, media, school) it contributes by considering connection, disconnection within families to contribute to an understanding of popular music consumption.

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# The Effects of Trust Dimensions on Relationship Commitment: The Relative Efficacy and Effect Symmetry

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## ABSTRACT

This study investigates the effects of three trust dimensions on relationship commitment. The results of a survey of 989 customers subscribing to a media service indicate that integrity has the strongest influence on relationship commitment, followed by competence and benevolence. The effect of integrity on relationship commitment is negatively asymmetric both in the early and later stage of the relationship. The effect of competence on relationship commitment is negatively asymmetric in the mature stage of the relationship, while the effect of benevolence on relationship commitment is positively asymmetric in the mature stage of the relationship. That is, benevolence becomes more important in the mature state of the relationship. Managerial implications are discussed.

## INTRODUCTION

Long term relationships between a firm and its customers provide many benefits for both the firm and the customers. Studies have found that firms practicing relationship marketing indeed enjoy increased competitiveness (e.g., Morgan and Hunt, 1999), reduced transaction costs (e.g., Aulakh *et al*., 1996), reduced uncertainty (e.g., Johnston *et al*., 1999), improved financial performance (e.g., Kalwani and Narayandas, 1995; Jap, 1999; Johnston *et al*., 1999), and increased marketing productivity (e.g., Naidu *et al*., 1999).

With the introduction of trust-commitment theory (Morgan and Hunt, 1994), many studies have focused on the development of trust and its consequences (e.g., Doney and Cannon, 1997). Researchers have found that trust complements and solidifies the relationship between the firm and the customer (Rousseau *et al*., 1998). Studies also have identified three dimensions of trust: competency, benevolence, and integrity (Mayer *et al*., 1995; Ganesan, 1994; Sako, 1992).

While these studies have provided managers with some understanding on the role of each dimension to ensure relationship performance (Sirdeshmukh *et al*., 2002), we still have a limited understanding of under what conditions each trust dimension has a significant influence on relationship commitment. Furthermore, we still do not know whether the enhancement of trust dimensions has a symmetric effect on relationship commitment as compared to the depletion of trust dimensions (Gefen, 2002).

The main objectives of this study are twofold. First, the study will examine the relative efficacy of trust dimensions on relationship commitment. Second, the study will examine whether the enhancement of a trust dimension has an impact equal to the depletion of the trust dimension in forming relationship commitment. Understanding of relative efficacy and effect symmetry will help managers set priorities to enhance each of the trust dimensions for further developing a committed relationship.

*Figure 1* describes the conceptual model of this paper. The model posits that integrity, competence, and benevolence are antecedents to relationship commitment. The model also depicts the symmetry effects of trust dimensions on relationship commitment, moderated by relationship duration.

The paper proceeds as follows. We first discuss the three trust dimensions and follow with the hypotheses to test the relative efficacy and symmetry of their effects on relationship commitment. We then discuss the method and study results. Managerial implications are discussed last.

## CONCEPTUAL DEVELOPMENT

### Dimensions of Trust

In the literature, trust has been conceptualized in many different ways (e.g., Barney and Hansen, 1994; Lane, 1998; Shapiro *et al*., 1992; Zucker, 1986). Following the work by Mayer *et al*. (1995), this study conceptualizes trust as having three key dimensions: integrity, competency, and benevolence. That is, we treat the key dimensions of trust as antecedents to commitment (Butler and Cantrell, 1984; Butler, 1991).

*Integrity*: Integrity refers to the trustor's perception that the trustee adheres to a common set of principles that the trustor finds acceptable (Mayer *et al*., 1995). In other words, the trustor's perception of the trustee's integrity is related to a set of common principles between trustee and trustor (McFall, 1987). These common principles include consistency of past actions, credible communications, a strong sense of justice, and congruent actions with the trustee's words (Mayer *et al*., 1995).

Integrity influences overall trust since it allows prediction of future events, especially under high uncertainty (Doney and Cannon, 1997). Studies have identified integrity as having a meaning similar to such concepts as value congruence (Sitkin and Roth, 1993), consistency (Butler, 1991; Butler and Cantrell, 1984), character (Gabarro, 1978), and openness/congruity (Hart *et al*., 1986).

*Competence*: Competence is defined as a group of skills and characteristics that enable a party to have influence within some specific domain (Mayer *et al*., 1995). Some researchers have argued that the trustor's perception of the trustee's competence is a prerequisite for the viability of repeated transactions (Sako, 1992). The concept of competence is task and issue-specific; competence is not an overall characteristic of a trustee. Rather, competence comes from knowledge (Butler, 1991; Butler and Cantrell, 1984; Lieberman, 1981; Rosen and Jerdee, 1977), capability (Cook and Wall, 1980; Jones *et al*., 1975; Sitkin and Roth, 1993), and expertise (Giffin, 1967; Bartol and Srinivastava, 2002).

*Benevolence*: Benevolence refers to the extent to which one party believes that a second party has intentions and motives beneficial to the first party (Ganesan 1994). At the center of benevolence is one firm's willingness to help the other (Gao and Brown, 1997). Examples of benevolence include provision of support, expression of consideration for the exchange partner's welfare, restraint of self-serving opportunism, and willingness to assume fiduciary responsibilities (cf. Atuahene-Gima and Li, 2002; Sirdeshmukh *et al*., 2002). A benevolent trustee shows consideration and sensitivity to the needs and interests of the trustor, acting in a way that protects these interests, and refrains from opportunistic

**FIGURE 1**
The Conceptual Model
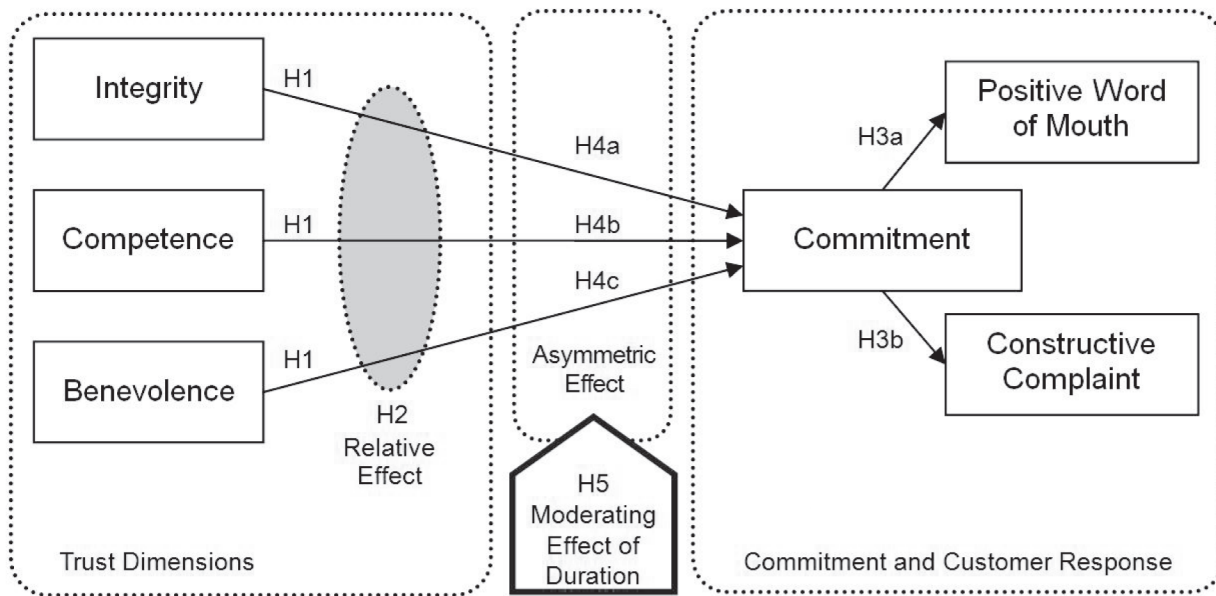


behaviors (Atuahene-Gima and Li, 2002). In this study, we define a trustee's benevolence toward a trustor as the trustee's extra-contractual helping behavior that enhances the well-being of the trustor.

## THE CONCEPTUAL MODEL

The conceptual model of our study, *Figure 1*, posits the effects of trust dimensions on relationship commitment, the symmetry between the enhancement effects vs. the depletion effects on relationship commitment, and the moderation effect of relationship duration.

### The Effects of Trust Dimensions on Commitment

Studies have confirmed a positive relationship between trust and commitment (e.g., Morgan and Hunt, 1994). Although several studies have identified the relative effects of trust dimensions on overall trust (Bigley and Pearce, 1998; Mayer *et al.*, 1995; Sirdeshmukh *et al.*, 2002), we still have a limited understanding of the relative efficacy of each trust dimension on relationship commitment.

Relationship commitment is defined as a belief that an ongoing relationship with a partner is so important as to warrant maximum efforts to maintain it (Morgan and Hunt, 1994). That is, commitment to a relationship is defined as one firm's intention to continue its relationship with another (Anderson and Weitz, 1989).

*Integrity and Commitment*: Firms develop trust to gain commitment from customers (Doney and Cannon, 1997; Morgan and Hunt, 1994). Integrity is an essential dimension of trust, and it reflects fulfillment of written and spoken promises (Ganesan, 1994). Integrity fosters overall trust since it allows exchange partners to predict future behaviors under uncertain environments (Doney and Cannon, 1997).

Integrity allows exchange partners to predict future events and to protect one another from the dangers of opportunistic behavior. By reducing future uncertainties through ethical and honest

behaviors, integrity fosters commitment among exchange partners (Iven, 2004; Kaufmann and Stern, 1988). Studies have found that integrity of an exchange partner fosters the other party's commitment to the relationship (Coote *et al.*, 2003; Simon, 1999; Sonnenberg, 1994).

*Competence and Commitment*: The second dimension of trust is competency. Competence is based on the expertise and reliability of the transaction partner (Moorman *et al.*, 1992; Lindskold, 1978). Competence allows exchange partners to expect consistent levels of performance. Competence of an exchange partner enhances the other party's commitment to the relationship since it reduces variability in output and reduces transactional costs (e.g., Doney and Cannon, 1997; Ganesan, 1994).

Studies have determined that competence leads to a customer's willingness to repurchase and to be loyal (Wetzels *et al.*, 1998; Sako, 1992). In addition, competence-based trust increases long-term orientation of exchange partners because it reduces transaction costs and the risk of poor performance in the future (Ganesan 1994).

*Benevolence and Commitment*: Benevolence refers to helping behaviors beyond the call of duty for the well-being of exchange partners (Lee *et al.*, 2004). This study posits that benevolence increases commitment because benevolence communicates caring motives and goodwill to exchange partners by providing care and favors (Doney and Cannon, 1997), reducing transaction costs (Green, 2003), and enhancing relationship performance (Lee *et al.*, 2004). Based on the discussion above, we propose the following:

H1: An exchange partner's perception of integrity, competence, and benevolence has a positive influence on relationship commitment.

### Relative Efficacy of Trust Dimensions on Commitment

Which trust dimension has the strongest effect in forming relationship commitment? This study posits that integrity has the strongest impact on relationship commitment, followed by

competence and benevolence. This is because integrity allows exchange partners to predict future behaviors that facilitate ongoing transactions (Sako, 1992; Mayer *et al.*, 1995). Exchange partners with integrity keep their promises and maintain high levels of ethical standards. Ethical behavior is a necessary condition for any successful business relationship. Integrity allows a firm to predict future actions of exchange partners, especially under high uncertainty (Doney and Cannon, 1997).

Competence affects relationship commitment because high performance resulting from competence motivates a firm to continue the relationship. Competence also increases relationship commitment by providing benefits to the exchange partners. Competence-based commitment is largely based on a calculative process in that it is based on the costs and benefits of remaining in the relationship. Competence provides high performance while reducing transaction costs.

Competence without integrity, however, can have detrimental effects on the relationship, such as introducing opportunistic behaviors. One can argue that loosing integrity can have a devastating blow on relationship commitment regardless of past performance. Thus, we posit that integrity has a more direct and immediate impact on commitment than competence does.

Benevolence has the weakest impact on relationship commitment as it increases commitment by communicating the benevolent party's underlying intentions. Benevolence is a helping behavior and it motivates firms to work closely, thereby increasing relationship performance (Lee *et al.*, 2004). Yet, one can argue that benevolence is voluntary in nature and plays a supplementary role for a long-term relationship. With integrity and high performance, benevolence has only a marginal effect on relationship commitment. Benevolence is not a required condition for a long-term relationship, and the influence of benevolence on commitment is situation specific (Sako, 1992). Based on this discussion, we propose the following:

H2: An exchange partner's integrity has the strongest influence on relationship commitment, followed by competence and benevolence.

### The Effects of Commitment on Positive Word of Mouth and Constructive Complaints

Commitment to a relationship reflects a customer's intention to continue the relationship with a firm (Gilliland and Bello, 2002). Affective commitment reflects a commitment based on identification and involvement with the exchange partner, while calculative commitment refers to commitment based on the costs and benefits of remaining committed (Gilliland and Bello, 2002; Lee *et al.*, 2004). When exchange partners are committed to one another, they are willing to cooperate, proactively share information, be flexible, and engage in referral behaviors (Mangold *et al.*, 1999). Commitment will lead exchange partners to improved efficiency and profitability.

This study posits that a customer's commitment has a positive influence on his or her positive word of mouth. When customers are committed to a relationship, they tend to have a favorable attitude toward the firm, which facilitates positive word of mouth (Brown *et al.*, 2005; Verhoef *et al.*, 2002). Positive word of mouth is motivated by the need for self-consistency and self-esteem. Creating negative word of mouth when one has a positive attitude toward a firm represents self-denial, which results in cognitive dissonance within the individual. Studies have found that a customer's commitment indeed has a positive influence on that customer's positive word of mouth (Bettencourt, 1997; Harrison-Walker, 2001).

Based on the above discussion, we propose the following:

H3a: Customer's commitment has a positive influence on the customer's positive word of mouth.

Customers who are unsatisfied with products or services can quit their relationships with the unsatisfactory firms. Alternatively, customers can express their dissatisfaction to the firms (Kirpalani, 2004; Hirschman, 1970). Receiving constructive complaints, defined as customers' expressions of dissatisfaction, is important for a firm's service recovery strategies.

This study posits that when customers are committed to a relationship with a firm, they tend to express constructive complaints. If customers are not committed to a relationship, they simply quit the relationship over dissatisfying incidents. However, when customers are committed to a relationship, they provide constructive complaints to the firm because they share the feeling of identification with the firm and are involved with the firm (Bhattacharya *et al.*, 1995; Schappe, 1998). Based on this discussion, we propose the following:

H3b: Customer's commitment has a positive influence on the customer's expression of constructive complaints.

### Symmetry of the Effects of Trust Dimensions on Commitment

Several studies have proposed that trust and distrust may have independent and asymmetric influences on commitment (Singh and Sirdeshmukh, 2000; Sirdeshmukh *et al.*, 2002). That is, distrust does not necessarily mean a low level of trust (Sitkin and Roth, 1993). One can have a high level of trust and a high level of distrust at the same time.

Regarding the effects of trust dimensions on commitment, researchers have not determined whether they are symmetric or asymmetric. That is, will a particular amount of increase of trust dimensions have the same effect on relationship commitment as an identical amount of decrease in trust dimensions? We argue that the effects of trust dimensions on commitment will be asymmetric in that one unit increase in trust and one unit decrease in trust may have different effects on commitment.

According to Herzberg's two factor theory (1966), the three trust dimensions can be interpreted as hygiene factors and motivator factors. Hygiene factors are considered to be more basic and extrinsic; they are "must have" factors. Customers are very sensitive to hygiene factors when a firm underperforms them. One can argue that a hygiene factor has an asymmetric effect for poor performance since customers are more sensitive to negative performances.

Motivating factors are considered to be more situation-specific and intrinsic; they are "good to have" factors (Rattanawicha and Esichaikul, 2005). Since motivating factors are considered as good to have, one can argue that customers are less likely to be sensitive to motivating factors when the firm underperforms on them. A motivating factor tends to generate an asymmetrically positive effect for good performance since it is more sensitive to positive performance.

We argue that integrity is a hygiene factor since it is a basic, must have factor for any business relationship (Agustin and Singh, 2005). We posit that a decrease in integrity has a greatly negative influence on commitment, while an increase in integrity does not necessarily increase commitment significantly. That is, we posit that as integrity increases, commitment also increases, but at a decreasing rate. The effect of integrity on commitment increases to a certain threshold and the effect curve becomes flat after that threshold.

We argue that benevolence is a motivating factor, which provides customers with additional positive feelings toward the firm. An increase in benevolence allows exchange partners to better understand each other's caring intentions. Firms appreciate benevolence of their exchange partners increasingly as benevolence is reciprocally exchanged. Therefore, we argue that as benevolence in a relationship increases, relationship commitment also increases, but at an increasing rate. This is because understanding of an exchange partner's caring intention enhances the level of benevolence.

Competence, we argue, is both a motivating factor and a hygiene factor. An increase in competence reflects an increase in relational benefits, while a decrease in competence reflects a decrease in relational benefits or an increase in costs. Therefore, we postulate the effect of competence on relationship commitment to be linear and symmetric.

Based on this discussion, we propose the following:

H4: Trust dimensions have different effect symmetry on commitment.

H4a: An exchange partner's integrity will have a negatively asymmetric effect on commitment.

H4b: An exchange partner's competence will have a symmetric effect on commitment.

H4c: An exchange partner's benevolence will have a positively asymmetric effect on commitment.

**The Moderation Effect of Duration**

We posit that the symmetry effects of the relationship between trust dimensions and commitment are moderated by relationship duration. As stated previously, integrity is a hygiene factor and it is negatively asymmetric. The importance of integrity remains the same regardless of the relationship duration since it is considered as a "must have" factor. Thus one can argue that integrity's effect on commitment is negatively asymmetric regardless of the relationship duration.

Competence, as discussed previously, has the characteristics of both a motivator factor and a hygiene factor. As a relationship evolves over time, however, competence tends to be taken for granted and becomes a hygiene factor. Exchange partners come to expect a certain level of performance and competency becomes a necessary condition for a long-term relationship. Thus, one can argue that as the relationship duration increases, competency's effect on commitment becomes negatively asymmetric. That is, competency becomes a hygiene factor as the relationship matures (cf. Tang, 1993).

Benevolence, we argue, is a motivating factor regardless of the relationship duration. This is because voluntary helping behavior beyond the call of duty is highly appreciated as a motivating factor regardless of the length of the relationship.

Based on this discussion, we propose the following:

H5: The effect symmetry of trust dimensions on commitment is moderated by the relationship duration.

H5a: An exchange partner's integrity will have a negatively asymmetric effect on commitment regardless of the relationship duration.

H5b: An exchange partner's competence will have a symmetric effect on commitment in a new relationship. Competence will have a negatively asymmetric effect on commitment in a mature relationship.

H5c: An exchange partner's benevolence will have a positively asymmetric effect on commitment regardless of the relationship duration.

## METHOD

### Sample

In order to test the model in this study, we conducted a survey with customers of a media services firm. We selected this research context because development of customer trust and commitment is crucial for long-term success in the media services industry. Data were gathered from the respondents who were subscribing to a major newspaper. The sample consisted of 989 respondents after random sampling and phone survey. In order to examine the non-response bias, we compared demographic characteristics of respondents with the population, and found no significant differences between the two groups. The respondents were aged 39.73 years, on average; 504 were men and 485 were women. On average, respondents had been receiving the media services for 36.6 months. Thirty-nine percent of the respondents were college graduates, and the average monthly income of respondents was $3,045.

### Measurement Model

We measured our constructs using a structured questionnaire. To ensure content validity of the measures, we first reviewed the relevant academic literature. The measurement items were based on previous measures of trust (Mayer *et al.*, 1995; Moorman *et al.*, 1992; Leik and Leik, 1977; Verhoef *et al.*, 2002; Kolarska and Aldrich, 1980). We then conducted in-depth interviews with eight industry experts and managers to better understand the meaning and dimensions of consumers' trust toward the media services firm.

Integrity is the belief that the firm adheres to a set of principles acceptable to readers, such as honesty and keeping promises (Mayer *et al.*, 1995). Competence is the set of skills, competencies, and characteristics of the firm (Mayer *et al.*, 1995). Benevolence reflects the extent to which the firm is believed to do good to customers (Mayer *et al.*, 1995).

Commitment is defined as an enduring desire to maintain a valued relationship (Moorman *et al.*, 1992) and a customer's unwillingness to consider partners other than those in the current relationship (Leik and Leik, 1977). Positive word of mouth reflects the extent to which customers advise other customers to do business with the focal newspaper (Verhoef *et al.*, 2002). Constructive complaint refers to consumers' behavioral intentions to express their dissatisfaction to authorities, either directly or indirectly, without termination of subscription (Kolarska and Aldrich, 1980).

The results of the reliability and validity tests are summarized in Table 1. We purified items based on item-to-total correlations. We then ran a cross construct confirmatory factor analysis with the variables in a model. Eight items were eliminated based on an analysis of standardized residuals and modification indices. The results of the CFA indicated a good fit to the data ($\chi^2_{(120)}$=419.23, RMSEA=.049, NFI=.93, CFI=.95, RMR=.03, GFI=.96) (See Table 1). The CFA results indicate that all items are significantly loaded to their hypothesized factors without high cross loadings, indicating the convergent validity of measurement items.

Discriminant validity was tested in the following ways. First, we examined the confidence interval of latent factor correlations and found that none of the 95 percent confidence intervals of the latent factor correlation matrix contained a value of 1.0. Second, we conducted a series of Chi-square difference tests for each pair of constructs between the constrained model and the unconstrained model. In all cases, the unconstrained model provided a significantly better fit to the data than did the constrained model ($p$<.01). Third, the phi matrix indicated that the variance of underlying constructs was higher than the correlations between constructs. Furthermore, the construct reliability was above the .60 cutoff for all measures, and the composite reliability was above the .50 cutoff for all

**TABLE 1**
Reliability and Validity Assessment of the Theoretical Construct Measures

| Construct | Lambda Range | Alpha | CR | AVE |
|-----------|-------------|-------|-----|-----|
| Integrity | .63-.73 | .70 | .70 | .44 |

The reports of this paper are balanced.
The articles of this paper reflect various viewpoints.
In spite of changing the situation, the paper maintains consistent voice.

| | | | | |
|-----------|-------------|-------|-----|-----|
| Competence | .59-.77 | .64 | .66 | .40 |

The paper's contents are professional.
The articles of this paper are well-written and contain deep analysis.
The paper often contains in-depth reporting on social issues.

| | | | | |
|-----------|-------------|-------|-----|-----|
| Benevolence | .54-.71 | .70 | .71 | .46 |

The paper provides me a lot of useful information for daily life.
The paper provides me interesting articles.
The paper provides me with abundant reading materials.

| | | | | |
|-----------|-------------|-------|-----|-----|
| Commitment | .57-.78 | .72 | .72 | .47 |

I will continue to subscribe to this newspaper.
Even if other newspaper companies give premiums for subscription, I will not switch to another newspaper.
I am proud of being a reader of this newspaper.

| | | | | |
|-----------|-------------|-------|-----|-----|
| Positive WOM | .79-.90 | .87 | .87 | .70 |

When people ask me to recommend a daily newspaper, I usually recommend this one.
I recommend this newspaper to others whenever I can.
I usually recommend this newspaper to people who are subscribed to other newspapers.

| | | | | |
|-----------|-------------|-------|-----|-----|
| Constructive Complaint | .56-.82 | .74 | .75 | .51 |

Even if I am unsatisfied I keep subscribing to the newspaper. However, I make suggestions to the newspaper.
Although I do not quit subscribing to the newspaper, I complain about the newspaper to people around me.
Although I keep subscribing to the newspaper, I express my complaints on the Internet.

$\chi^2_{(120)}$=419.23, RMSEA=.049, NFI=.93, CFI=.95, RMR=.03, GFI=.96

**TABLE 2**
Correlation Matrix

| | Mean | 1 | 2 | 3 | 4 | 5 | 6 |
|---|------|-----|-----|-----|-----|-----|-----|
| 1. Integrity | 3.58 | 1.00 | | | | | |
| 2. Competence | 3.71 | .65 | 1.00 | | | | |
| 3. Benevolence | 3.58 | .64 | .62 | 1.00 | | | |
| 4. Commitment | 3.32 | .48 | .56 | .42 | 1.00 | | |
| 5. Positive WOM | 2.56 | .24 | .33 | .28 | .51 | 1.00 | |
| 6. Constructive complaints | 2.57 | .11 | .14 | .18 | .19 | .40 | 1.00 |

measures. All these results support the convergent and discriminant validity of the measures used in the study.

**Hypothesis Testing**

In order to test the hypotheses, we first estimated the direct effects of three dimensions of trust on commitment. Then, we examined the asymmetric effects of these trust dimensions on commitment. We also identified the consequences of commitment. As we needed to estimate the multiple regression equations simultaneously, we performed the following path analyses.

$$CMT= \beta_0 + \beta_1 \cdot INT + \beta_2 \cdot COMP + \beta_3 \cdot BENE + \beta_4 \cdot D \cdot INT + \beta_5 \cdot D \cdot COMP + \beta_6 \cdot D \cdot BENE + \varepsilon_1$$

$$WOM= \beta_{0w} + \beta_{1w} \cdot CMT + \varepsilon_2$$

## TABLE 3
### Estimated Coefficients for Research Model: Total Set[a]

| Path | | | Coefficient (*t*-value) | $\Delta$ for Positive Performance (*t*-value) |
|---|---|---|---|---|
| Integrity | $\rightarrow$ | Commitment | **.43(7.39)** | **-.21 (-3.65)** |
| Competence | $\rightarrow$ | Commitment | **.21(3.85)** | -.02 (-.40) |
| Benevolence | $\rightarrow$ | Commitment | **.09(2.58)** | .05 (1.58) |
| Commitment | $\rightarrow$ | Positive Word of Mouth | **.44(13.38)** | |
| Commitment | $\rightarrow$ | Constructive Complaint | **.13(3.66)** | |

$\chi^2$ (*p*-value)=123.97 (.00), *df*=13, GFI=.97, CFI=.90, NFI=.90, RMR= .07

[a]Significant coefficients (*t*>2) are in bold.

$$CPN= \beta_{0c} + \beta_{1c} \cdot CMT + \varepsilon_3$$

CMT=commitment; INT=integrity; COMP=competence; BENE=benevolence; D=dummy variable; WOM=positive word of mouth; CPN=constructive complaint

We then estimated the asymmetric effects of trust dimensions on commitment. Following Sirdeahmukh *et al.* (2002), we introduced dummy variables in the equations. The dummy variable for each trust dimension was coded 1 when the trust dimension score was above the mean score. The dummy variable for each trust dimension was coded 0 when the score was below the mean score. In this way, the estimated coefficients for dummy variables indicated the incremental effect of the corresponding trust dimension on commitment at a positive performance phase. When trust dimensions had asymmetric effects on commitment, the corresponding coefficient of the dummy variable was statistically significant (Cohen and Cohen, 1983; Sirdeshmukh *et al.*, 2002).

Table 3 shows the results of coefficients and fit statistics. The results indicate a good fit to the data ($\chi^2_{(13)}$=123.97, *p*-value=.00; GFI=.97; CFI=.90; NFI=.90; RMR= .07).

H1 posits that the trust dimensions have a positive influence on commitment. We found that all three dimensions of trust indeed have significant effects on commitment. That is, customer commitment is influenced significantly by integrity ($\beta_1$=.43, *p*<.05), competence ($\beta_2$=.21, p<.05), and benevolence ($\beta_3$=.09, p<.05). The results provide support for H1.

H2 deals with the relative efficacy of trust dimensions on relationship commitment. We posit that integrity has the strongest influence on commitment, followed by competence, and then benevolence. In order to find the relative efficacy of trust dimensions on commitment, a series of Chi-square difference tests were conducted. In a constrained model, the beta coefficient from integrity to commitment was set to be equal to the beta coefficient from competence to commitment. The results indicate that the Chi-square of the constrained model ($\chi^2_{(14)}$=128.48) is significantly greater than that of the unconstrained model ($\chi^2_{(13)}$=123.97). The results indicate that integrity has a stronger effect on commitment than competence does ($\Delta\chi^2_{(1)}$=4.51, *p*<.01).

The results of a series of Chi-square difference tests summarized in Table 4 indicate that integrity has the strongest effect on commitment, followed by competence and benevolence,

respectively. The results provide support for H2.

H3 states that commitment has a significant influence on positive word of mouth and constructive complaints. The results indicate that commitment indeed has a significant influence on positive word of mouth ($\beta_{1w}$=.44, *p*<.05) and on constructive complaints ($\beta_{1c}$=.13, p<.05), providing support for H3a and H3b.

H4 presents hypotheses on the symmetry effect that each trust dimension has on commitment. A trust dimension is considered symmetric when the dummy variable for the dimension is not significant. When the dummy variable for a trust dimension is not significant, the slope representing the effect of the trust dimension on commitment is equal, indicating a symmetric effect.

A trust dimension is asymmetric when the dummy variable for the dimension is significant. This significant dummy variable will adjust the slope representing the effect of the trust dimension on relationship commitment. That is, the effect of the trust dimension on relationship commitment when the trust dimension is above its mean score is different from the effect of the trust on relationship commitment when the trust dimension score is below the mean.

We found that integrity is the only dimension that has a negatively asymmetric effect ($\beta_4$=-.21, *p*<.05). We found a symmetric effect for the relationship between competence and commitment ($\beta_4$=-.02, *p*>.05) and for the relationship between benevolence and commitment ($\beta_4$=.05, *p*>.05). These results provide support for H4a and H4b, but not for H4c.

In order to test the moderation effect of relationship duration on the effect symmetry, we divided the respondents into two groups based on relationship duration. The long-term relationship (over two years) group was comprised of 558 respondents, and 431 respondents were included in the short-term relationship (less than two years) group. The results of two group path analysis indicate that the paths are significantly different ($\Delta\chi^2$=12.2, *p*<.05, *df*=5).

Table 5 shows that although integrity and benevolence have nearly the same impact on commitment in both groups, the path coefficient of competence in the long-term relationship group ($\beta$=.40, *p*<.05) is stronger than that of the short-term relationship group ($\beta$=.24, *p*<.05).

H5a posits that an exchange partner's integrity will have a negatively asymmetric effect on commitment regardless of the relationship duration. The results indicate that the effect of integrity on commitment was negatively asymmetric (hygiene factor) both in short-term and long-term relationships. Therefore, relationship

**TABLE 4**
Relative Effect Power of Trust Dimensions on Commitment

| Model | Constraint | $\chi^2(df)$ | $\Delta\chi^2(df)$ |
|---|---|---|---|
| Free Model | Free | $\chi^2(13)=123.97$ | |
| Constraint Models | Integrity=Competence | $\chi^2(14)=128.48$ | $\Delta\chi^2(1)=4.51, p<.01$ |
| | Competence=Benevolence | $\chi^2(14)=129.69$ | $\Delta\chi^2(1)=5.69, p<.05$ |
| | Benevolence=Integrity | $\chi^2(14)=150.00$ | $\Delta\chi^2(1)=26.03, p<.01$ |

**TABLE 5**
Estimated Coefficients for Research Model: Group Analysis[a]

| Path | | | Short-term Duration | | Long-term Duration | |
|---|---|---|---|---|---|---|
| | | | Coefficient (*t*-value) | $\Delta$ for Positive Performance (*t*-value) | Coefficient (*t*-value) | $\Delta$ for Positive Performance (*t*-value) |
| Integrity | $\rightarrow$ | Commitment | **.40 (6.74)** | **-.06 (-3.21)** | **.40 (6.73)** | **-.06 (-3.21)** |
| Competence | $\rightarrow$ | Commitment | **.24 (2.45)** | .00 (-.09) | **.40 (5.03)** | **-.04 (-2.03)** |
| Benevolence | $\rightarrow$ | Commitment | **.09 (2.42)** | .02 (-.97) | **.09 (2.42)** | **.04 (2.95)** |
| Commitment | $\rightarrow$ | Positive Word of Mouth | **.50 (13.32)** | | | **.50 (13.32)** |
| Commitment | $\rightarrow$ | Constructive Complain | **.17 (4.30)** | | | **.17 (4.30)** |

$\Delta\chi^2$(*p*-value)=184.30 (.00), *df*=31, GFI=.97, CFI=.96, NFI=.96, RMR= .06

[a]Significant coefficients (*t*>2) are in bold. Significant differences between groups (*p*<.05) are in italic.

duration does not moderate the relationship between integrity and commitment. These results provide support for H5a.

H5b states that an exchange partner's competence will have a symmetric effect on commitment in the younger relationship and a negatively asymmetric effect on commitment in the mature relationship. The results indicate that the effect of competence on commitment is symmetric in the short-term relationship, but it becomes negatively asymmetric in the long-term relationship. This implies that as the relationship evolves over time, competence is considered a given and treated as a hygiene factor. These results provide support for H5b. H5c states that an exchange partner's benevolence will have a positively asymmetric effect on commitment regardless of the relationship duration. The results indicate that the effect of benevolence on commitment is symmetric in the short-term relationship, but it becomes positively asymmetric in the long-term relationship. Therefore, the results fail to support H5c.

## DISCUSSION

In this paper, we tested the effects of trust dimensions on commitment. Previous researchers have found that all three trust dimensions have a positive influence on commitment. Among them, integrity has the strongest influence on commitment, followed by competence and benevolence, respectively. We also found that integrity has a negatively asymmetric effect on commitment regardless of the relationship duration. Competence has a symmetric effect on commitment in the early stage of a relationship, but its effect on commitment becomes negatively asymmetric in the later

stage of the relationship. Benevolence has a symmetric effect in the early stage of a relationship, but its effect becomes positively asymmetric in the later stage of the relationship. Commitment is found to have a positive influence on positive word of mouth and on constructive complaints.

**Managerial Implications**

The findings of this study provide managers with the following managerial implications. *First*, while all three dimensions of trust have a significant influence on commitment, this study's findings suggest that managers need to put a higher priority on maintaining and enhancing integrity because this trust dimension has the strongest influence on commitment. The resulting commitment will lead to positive word of mouth and constructive complaints.

*Second*, this study's findings indicate that integrity is a hygiene factor regardless of the relationship duration, another reason for mangers to focus on this trust dimension. Customers tend to be more sensitive to integrity as a hygiene factor than to motivating factors. It means that managers should put higher priorities on integrity to enhance relationship commitment.

*Third*, the study's findings suggest that competence has a symmetric effect on commitment in the early stage of a relationship, while its effect becomes negatively asymmetric in the later stage of a relationship. This implies that as the relationship evolves, competence is considered a given and regarded as a hygiene factor. Competence is a necessary, but not a sufficient, condition for commitment in the later stage of the relationship.

**TABLE 6**
Hygiene and Motivator Factors of Trust Dimensions on Commitment: Total and Two Different Duration Groups[a]

|  | Total | Short-term Duration | Long-term Duration |
|---|---|---|---|
| Integrity | .43/.22(hygiene) | .40/.36(hygiene) | .40/.34(hygiene) |
| Competence | .21/.21(hygiene/motivator) | .24/.24(hygiene/motivator) | .40/.36(hygiene) |
| Benevolence | .09/.09(hygiene/motivator) | .09/.09(hygiene/motivator) | .09/.13(motivator) |

[a]The former numbers are coefficients of negative performance and the latter numbers are calculated coefficients of positive performance.

**FIGURE 2**
The Asymmetric Effect of Trust Dimensions on Commitment
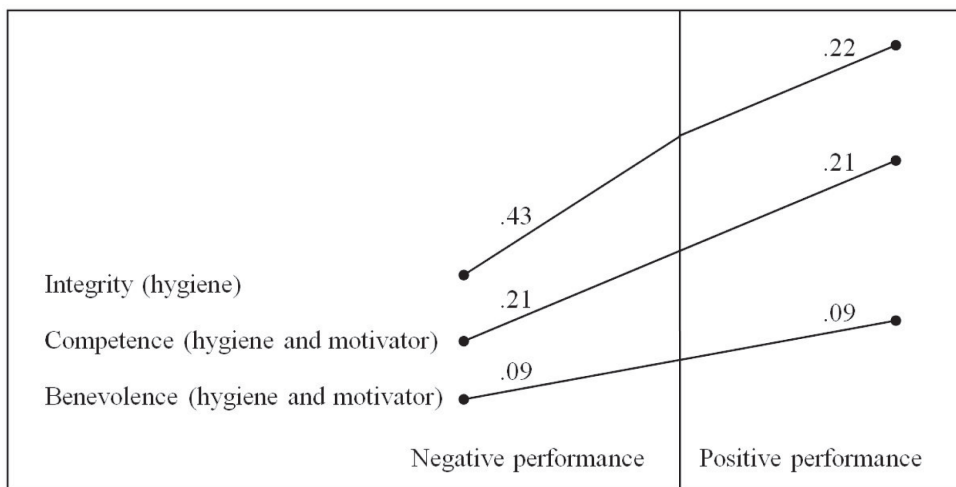


*Fourth*, benevolence has a symmetric effect on commitment in the early stage of the relationship, but its impact becomes positively asymmetric in the mature stage of the relationship. This implies that the role of benevolence on commitment grows to be more important as it becomes a motivating factor in the later stage of the relationship. We suggest mangers focus on benevolence to improve customer commitment in the later stage of a relationship.

**Limitations and Future Research Directions**

Despite its merits, this study has several limitations. *First*, the study has focused on customers who subscribe to a media service. To generalize this study's findings, it is necessary to examine a thorough set of replications in different samples and product contexts.

*Second*, this study treated trust dimensions as exogenous variables. Future studies should identify the antecedents to each trust dimension. While many studies have focused on the antecedents of overall trust, antecedents of individual trust dimensions in a business-to-customer context are yet to be determined (Morgan and Hunt, 1994; Ganesan, 1994; Doney and Cannon, 1997).

*Third*, this study focused on overall commitment as a consequence of trust dimensions. Previous studies have identified different types of commitment. For example, Allen and Meyer

(1990) presented the affective, continuous, and normative components of organizational commitment. Geyskens *et al.* (1996) classified commitment into affective commitment and calculative commitment. Future studies can extend the conceptual model of this study by incorporating these various types of commitments.

*Fourth*, the findings of this study are based on cross-sectional data with a survey method. Future studies using longitudinal data will provide a deeper level of understanding on the changes in the roles among the three trust dimensions (cf. Mowday *et al.*, 1982). Future studies using multiple methods can add confidence on the findings of this study.

*Fifth*, the development of proper tools for measurement is one of the essential tasks of relationship marketing (Sirdeshmukh *et al.*, 2002). Developing valid measurement items of trust dimensions in various product and industry contexts may provide a comprehensive measurement adoptable in various contexts. The measurement items of trust need further refinements in the contexts of various product and services.

Despite the above limitations, this study represents an important step in the identification of the relationship between trust dimensions and commitment. It is hoped that future studies will be directed toward identifying the conditions in which specific trust dimensions become more important than other trust dimensions.

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# Consumers Faced with Telephone Selling: Metacognition, Resistance and Strategies

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## ABSTRACT

This research aims at deepening knowledge of resistance phenomena by exploring individuals' perception of telephone selling. Analysis of the corpus constituted by written account of telesales episodes, followed by long, semi-structured interviews with 24 respondents, enriches four levels of understanding: respondents' cognition of telesales and their pre-existing schemas when faced by this type of influence; the way in which their metacognition is constructed over time; the strategies they adopt and the levels of resistance these reveal; and the individual and situational factors that possibly moderate their reactions.

## INTRODUCTION

Consumer resistance has been the subject of numerous studies since the pioneering work of Peñaloza and Price (1993). Some of these have explored the collective aspects of resistance through protest organizations and groups committed to oppositional activities or ways of bypassing the market (Friedman 1999; Giesler 2006; Hemetsberger 2006). Others have endeavored to look at individual manifestations of resistance from the standpoint of the rejection of codes and brands (Duke 2002; Moisio and Askegaard 2002; Thompson and Haytko 2002; Klein 1999; Holt 2002; Dalli, Gistri, and Romani 2005), of anti-consumption and voluntary simplicity (Dobscha and Ozanne 2001; Shaw and Newholm 2002; Shepherd 2002; Zavestoski 2002) or of various persuasion devices such as advertising (Rumbo 2002) and sales techniques (Kirmani and Campbell 2004).

Despite the need emphasized by Holt (2002) to situate understanding of resistance mechanisms on an interactionist–rather than simply critical or postmodern–basis, few studies succeed in highlighting the linkage between consumers' reactions and the motives giving rise to them. Many papers emphasize the static finding of consumers' dissatisfaction, withdrawal and opposition without necessarily grasping what provokes these or what processes have resulted in them. At the theoretical level, studies of consumer resistance have provided many more descriptive accounts than frameworks of analysis suitable for explaining the phenomenon. In this respect Friestad and Wright's (1994) Persuasion Knowledge Model (PKM) offers interesting perspectives for understanding how individuals construct a representational system of the market and its influencing mechanisms. From this standpoint, analysis of individuals' perception of telephone selling provides a relevant context for understanding how the representations they construct of this type of enticement form the basis of their resistance mechanisms and of the strategies they develop. Adopting the perspective offered by Kirmani and Campbell (2004) on the various kinds of responses to sales personnel's influence attempts, this approach aims at deepening knowledge of resistance phenomena by selecting situations particularly favorable to their emergence. However, in contrast to the conditions studied by these authors–in which respondents initiate the contact with an influence structure –, they are subjected here to a relation that they have not chosen in terms of either its timing or its content. This difference, which is likely to

accentuate potential resistance reactions, enables us to observe how, in the interaction, individuals interpret the influence attempt and what processes follow in terms of coping strategies. Further to the work carried out by the above-mentioned authors, the present study aims to reveal individuals' pre-existing cognitive systems and to show how these are directly linked to the forms of response adopted.

Analysis of the corpus constituted by written account of telesales episodes, followed by long, semi-structured interviews with 24 respondents, ultimately enriches four levels of understanding: respondents' cognition of telesales and their pre-existing schemas when faced by this type of influence; the way in which their metacognition is constructed over time; the strategies they adopt and the levels of resistance these reveal; and the individual and situational factors that possibly moderate their reactions. We discuss the implications of our findings and indicate avenues of future research on consumer resistance that these results suggest.

## CONCEPTUAL BACKGROUND

Approaching consumer resistance through "marketplace metacognition" opens up a significant line of research for understanding both its reactive nature and its construction over time (Friestad and Wright 1994; Wright 2002). These authors indeed show that consumers possess, to a greater or lesser extent, a set of beliefs about (1) their own mental states and processes–a metacognition (Matlin 1989) –, (2) general procedures of persuasion and influence, and (3) the expertise firms have in regard to these. Marketplace metacognition thus consists of awareness individuals have about persuasion techniques, their relevance and effectiveness in convincing them, and their own susceptibility to these tactics. Such cognitive schemas vary in extent and are linked to people's development. They depend on their environment, culture and what they have successively acquired in the course of social interactions in the private and market spheres. However, faced with these tactics, individuals try to remain effective in their coping, i.e. continue carrying out their physical and psychological activities independently of what the influencer is trying to obtain. From this perspective, consumer resistance can be analyzed as the implementation of particular coping strategies "for struggle, opposition or delaying tactics" (Fournier 1998), that aim at thwarting the influence attempt. This reaction is activated through the perception of elements incongruent with the individual's own orientations, which can be expressed in three registers–freedom of choice, autonomy in decisions and willingness to cooperate or not with a market partner (Roux 2007). According to Friestad and Wright (1994), such discordant notes can arise from the discrepancy between the individual's representations of the situation and the moral principles acquired in childhood, as well as behavior perceived as ethically acceptable when one views himself as an influencer.

Nevertheless, for an individual to resist the techniques used by firms, these must have previously been categorized as capable to acting upon him/her. In other words, persuasion attempts are likely to influence if a connection is established at a given moment between a situation and certain characteristics that will be noticed because their nature and effect are perceived. This particular form of awareness–which Friestad and Wright (1994) call "the change-of-meaning principle"–tends to displace, at a given moment, the attention given to the content of messages onto a broader perception

of influence mechanisms. Thus there enter into the consumer's resistance the knowledge he/she has both of influencing processes and of his/her own reaction and defense mechanisms against the tactics used. This vulnerability, which underlies the effectiveness of persuasion techniques, derives from decoding the processes deployed, as well as the emotional reaction they give rise to (Friestad and Wright 1994). In the course of time, the progressive and cumulative incorporation of cognition and felt emotions thus contributes to feeding pre-established operational schemas. The consumer becomes capable of mobilizing "tactic recognition" heuristics that enable him/her to evaluate influence situations, even in the absence of precise knowledge of the agent or the subject of the message (Friestad and Wright 1994). On this point, inference mechanisms play a key role in the construction of "marketplace metacognition": negative judgments about a firm's communications skills are liable unfavorably to contaminate other perceptions such as those of its relational capacity or the quality of its products and services. Moreover, the encoding processes of influencing mechanisms and devices lead consumers to acquire increasingly extended knowledge over time: it therefore seems essential to explore the way in which this categorization provokes adverse reaction states, according to the meanings that are attributed to them.

## RESEARCH METHODOLOGY

The exploration of representations of telephone selling thus called for a comprehensive approach, which was implemented through a two-stage program: first, the collection, from 24 respondents, of a series of written accounts of telesales experiences they were asked to recall; second, a semi-structured in-depth interview lasting about an hour on average, conducted at the latest a few days after receiving the account. Respecting the principle of purposive sampling and of information saturation, 24 diaries were collected from individuals who were regularly contacted by phone telesales operatives in relation to a variety of product categories–such as telephony, cable TV, insurance, tax reduction schemes, renewal of windows, and wine offers. Having agreed to participate in this study, respondents were instructed to write one or more telephone selling episodes they still recalled. They were asked to mention the aim of the call and what was being sold, and then to describe the conversation as they had experienced it. It was made clear, in as neutral a way as possible, that the purpose of the questioning had nothing to do with marketing or any connection with the telephone selling business, but was guided by research aiming at a better understanding of telephone dialogue situations.

The final composition of the sample consisted of a slightly higher proportion of men (13) than women (11), aged from 23 to 76, with an average age of 38. Overall they were in employment in tertiary sector professions, living in an urban environment and with completed secondary education at the minimum (Table 1). The sample displays the characteristic of being relatively young, professionally active, educated and city dwelling. The number of episodes provided by the respondents lay finally between 1 and 4, with a mean of 1.75 per individual, that is to say, 42 episodes for 24 respondents.

Although the data collection can show biases, it does offer two advantages relevant to this topic over a real-time journal system (Kirmani and Campbell 2004). Its drawbacks, first of all, are due to the fact of increasing the risk of a memory bias among respondents insofar as it is impossible to be sure of the accuracy and the exhaustiveness of the recollections recounted. It is therefore difficult to control the nature of the material collected and to be able to confirm, from outside, that the facts really occurred as recounted. Hence this method is unable to control situational differences

relating to episodes collected other than by relying on what respondents allege, which compromises the quality of the sampling. On the other hand, a major advantage is being able to collect, more than purely factual stories, the salient elements that respondents have reacted to and which are then liable to influence their future behavior. Indeed, the processes of elaborating a message occur not only during the persuasion attempt, but afterwards as well (Friestad and Wright 1994). As a consequence, the narration of one or more past episodes allows the recovery of "sedimented" information on representations of telephone selling. The interview then enables the strata to be reconstructed, thereby bringing to light certain processes through which the cognitive elaboration of individuals is progressively constructed. The second advantage is being able to reduce the risk of artifacts (Rosenthal and Rosnow 1997), whose importance and effects are rarely discussed. Indeed, overly structured and insufficiently "naturalistic" conditions for collecting information are liable to give rise to inferences and interpretations among the respondents. Influenced by the effort to ascertain and understand the motives for the study, they can then be led to modify their mental attitudes and evaluations of the situations proposed. When too much pressure is put on a respondent, the bias possibly prompted by a repeated and restrictive protocol on the part of the researcher can be a major problem (Boring 1969).

## FINDINGS

The written accounts of telesales experiences reveal a broadly similar narrative structure among the respondents. The narratives begin with a description of the object of the phone call and most often with their recollection of the telesales operator's opening words. Then follows a discursive section containing exchanges between them and the telesales operator as well as the repertoire of procedural knowledge and "ready to use" strategies that they mobilize according to the circumstances. Four themes structure the discourses in these episodes of influence: the updating of metacognition, its processes of construction, procedural knowledge and coping strategies which respondents use, and the situational and individual factors which moderate their resistance reactions and in which emotions play a large part.

### Marketplace metacognition in action

The accounts given of telesales episodes are articulated around a pre-existing categorization of the objectives, intentions and mechanisms underlying such techniques, that respondents have classified over time. Several informants said they immediately spotted attempts to influence them and described the "tactic recognition" heuristics used in this type of telephone approach (Friestad and Wright 1994): "I know right away when it's a sales call" [1, F, age 53], "nine times out of ten, it begins with 'Hello, Mrs. D.' but I already know they're trying to sell me something" [10, F, age 50], "I see straight through their strategy" [19, M, age 26].

The accounts are categorized around two types of judgment on telephone selling. Some, highly negative, focus on the technique itself and on three of its characteristics: its intrusive aspect, its impersonal nature, and its often-suspected dishonesty.

- Calls to the individual's home are perceived first of all as acts of invasion of one's personal territory (Goffman 1971): "apart from advertising, home is the only place one can escape this pressure to consume, so these calls disturb that peace" [18, F, age 33]; "they disturb you at home, always in the evening or during mealtimes" [16, M, age 23]. In certain cases, cold calling is even seen as an infraction of the codes of decent behavior and an intolerable breach of respect for the individual: "it's a real violation of one's private life, it

**TABLE 1**
Summary of respondents' characteristics

| Id | Age | Gender | Family situation, profession, educational level, residence | Type of products/business |
|---|---|---|---|---|
| 1 | 53 | F | Married, 3 children, medical secretary, technical diploma, affluent suburb | Health insurance |
| 2 | 23 | M | Cohabiting, no children, secondary, outdoors centre organizer, affluent suburb | Double glazing |
| 3 | 25 | F | Single, student, graduate, working class suburb | Telephony<br>Bank products |
| 4 | 28 | M | Cohabiting, no children, IT engineer, secondary, affluent suburb | Telephony (3 episodes) |
| 5 | 24 | M | Single, engineer, higher degree, large town, affluent suburb | TV services<br>Telephony |
| 6 | 33 | F | Single, researcher, higher degree, middle class town | Telephony<br>Gas and electricity<br>Liquor store<br>Kitchen specialist |
| 7 | 52 | M | Married, 2 children, engineer, higher degree, large town, working class area | Bank products<br>Broadband telephony |
| 8 | 73 | F | Widow, retired employee, secondary, capital city, working class area | Window installer |
| 9 | 23 | M | Single, engineer, higher degree, large town, affluent suburb | Telephony |
| 10 | 50 | F | Divorced, primary schoolteacher, graduate, capital city, working class area | Telephony<br>Heating engineer |
| 11 | 51 | M | Married, 3 children, worker, technical diploma, large town, working class area | Life insurance<br>Telephony |
| 12 | 25 | F | Cohabiting, schoolteacher, higher degree, capital city, affluent suburb | Internet connection<br>Tax reduction scheme |
| 13 | 47 | F | Married, 1 child, engineer, higher degree, capital city, affluent suburb | Telephony<br>Charitable association |
| 14 | 37 | M | Single, sales rep, higher degree, large town, working class area | Telephony |
| 15 | 32 | M | Single, artist, secondary, country village | Car salesman<br>Encyclopedia publisher |
| 16 | 23 | M | Single, no children, student, graduate, large town, affluent suburb | Broadband telephony |
| 17 | 24 | M | Single, no children, student, higher degree, capital city, affluent suburb | TV services<br>Tax-related products |
| 18 | 33 | F | Single, seeking work, higher degree, large town, working class area | Insurance<br>Telephony |
| 19 | 26 | M | Single, no children, student, graduate, affluent small town | Internet connection |
| 20 | 25 | M | Single, 1 child, lawyer, higher degree, capital city, affluent suburb | Accident insurance (The Post Office) |
| 21 | 32 | F | Divorced, no children, higher degree, librarian, capital city, affluent suburb | Telephony |
| 22 | 44 | F | Divorced, 2 children, schoolteacher, higher degree, affluent suburb | Liquor store<br>Telephony (3 episodes) |
| 23 | 51 | M | Married, 2 children, sales manager, technical diploma, poor suburb | Charitable association |
| 24 | 76 | F | Divorced, 1 child, retired nurse, poor suburb | Alarm systems |

bothers me hugely and I'd like to be able to stop it" [10, F, age 50].

- In addition, the impersonal nature of these methods is frequently emphasized. Most of all, respondents feel "chosen at random from data bases" [15, M, age 32] and as a result the products being offered are usually of no interest to them. The combination of selection perceived as random and the insistence on crossing the boundary of their privacy thus creates a particularly strong resistance to the feeling of being manipulated and reified: "The salesman doesn't know the person being called. He doesn't know your desires or your needs. He knows nothing about you. From my side, I don't see him either and I don't know who's calling me" [15, M, age 32]. The caller's tone of voice also contributes to this feeling of standardization and robotization of human relations: "I hate how they introduce themselves. It's impersonal, totally formatted. And if they're disturbing you, they just don't care, they go on asking their inevitable little questions" [6, F, age 33]; "I can't stand their mechanical, repetitive, stereotyped patter. I always get the impression they take me for a complete idiot. Can't they teach them how to speak normally? They're talking to human beings, after all! [24, F, age 76].
- The third theme reflects the fear of being trapped by an appealing offer, but one which necessarily has a snag: "They dazzle you with their offers, and in the end they're not so advantageous as all that… Or you find you can't cancel the contract afterwards" [19, M, age 26]. Doubt, mistrust, and the suspicion of dishonesty are the complaints often voiced in relation to these procedures: "The moment the salesman reaches you, he's out to rip you off" [11, M, age 51].

As well as the telesales technique, the salesman himself is subject to specific negative pre-established attitudes in terms of arguments he uses. While these vary according to the different products being promoted, recurrent features appear in terms of the way of operating, mainly in relation to the caller's insistence and lack of consideration for the respondent's time and requirements: "I get the feeling of harassment and that they are pushing us into a corner [18, F, age 33]; "it gets on my nerves, they really bug me, they never call at a convenient time and always tell you about things you don't need" [13, F, age 47].

Alongside the majority of fixed negative opinions of telephone selling are found some features that temper the severity of judgments made about these practices. Some respondents thus include in their evaluations the difficulties of doing the job and sympathy for the salesperson: "I know it's not much fun, a job like that, and it must be difficult" [2, M, age 23]; "at the end, I wish them all the best, because it's crappy work" [23, M, age 51]. Nevertheless, such considerations about the salesperson's activity do not necessarily lead them to change their attitudes in the actual situation, as was indicated by one of the respondents: "I can understand they've got a lousy job, but anyway, once I know they're tele-selling, I never buy anything" [4, M, age 28].

**Recursive construction of Marketplace metacognition**

While many respondents have pre-established representational schemas on telephone selling, some of them recount how these were constructed as the result of one or more interactions, thereby testifying to the recursivity of resistance phenomena. We give the example of a female respondent [22, F, age 44] who was contacted by a company selling windows:

*As I had a window in poor condition and was called up on the phone in this area, I wanted to give it a try. I had already inquired at a specialist shop. The salesman gave me a sales pitch for half an hour about the quality of his product, then on the basis of the measurements I gave him, he offered to call me back a while later. At that point, he quoted me a price, which I considered to be excessive. My problem in fact was that I had French window with a rounded top that allowed water to seep into the room at the base. At my outright refusal to replace the window, he made a big fuss. He put me on hold, during which time he supposedly called his boss, who was willing to make a huge reduction, 50%, but I had to decide immediately. I refused to do this, and he gave me 24 hours to make up my mind. I confess that I very nearly accepted. In the meantime, I took the advice of a friend who backed me up on the idea that one should never take a decision under pressure to give a quick response… and I repaired the window myself. Since that occasion, I know immediately when someone is trying to sell me something and I always answer in the same way: "Thank you, but I'm not interested".*

The episode recounts a series of interactions in which the initial interest of the respondent was eroded by her perception of an excessive price, manipulated by a framing effect–the promised reduction by 50% –, as well as by the temporal pressure introduced by the salesman. These mechanisms appear to be the main determinants giving rise to resistance. This was then expressed through an evasive reaction, in particular because the financial advantage was offset by a temporal constraint. The respondent's recourse to external advice also played a determining role in reinforcing resistance. This provided a point of view outside the context of the interaction, which was able to resolve the internal conflict experienced by the respondent and to strengthen her initial reaction. The conclusion of the episode illustrates the "change-of-meaning principle" (Friestad and Wright 1994) insofar as it led to a lasting categorization of telesales events, all of which were subsequently perceived as attempts to influence and manipulate, and resulted in a systematic avoidance strategy.

The same construction mechanism of resistance attitudes is illustrated by another respondent [6, F, age 33] who dates her suspicion of telephone selling precisely to an episode that occurred some ten years previously with a company selling fitted kitchens. After being contacted for "having won a magnificent Hi-Fi unit through a prize draw", she remembers going to the shop with her husband to collect her prize. She was surprised, and later angry, to find that the Hi-Fi unit consisted of two shelves supported by four plastic feet "which collapsed under the weight of the television". On the other hand, she and her husband were perfectly well aware that their joint visit, expressly requested by the shop, had no other purpose than to try and sell them a new kitchen, which they had no need of at the time. These tactics, which she viewed as "dishonest and crude", gave her from then on a very low opinion of telephone selling. The coding of the perception of this respondent was organized around metaphorical images of fishing: "the hook of the free gift", "bait to catch people" which "had the sole aim of fishing for people by phone to bring them into the shop".

**Procedural knowledge and response strategies to telephone selling**

Recognition of an influence attempt leads to the deployment of relatively fixed response patterns, though these vary with the respondents. Few of them turned out to have adopted what Kirmani and Campbell (2004) call *seeker strategies*, which involve a reflec-

**TABLE 2**
List of situational factors affecting perceptions of TELESALES

| |
| --- |
| *Cognitive situational factors* |
| Nature of representations regarding telesales |
| Degree of interest on the part of subject |
| Extent of knowledge about the selling company |
| *Emotional situational factors* |
| Behaviour of the salesperson |
| Time of calling |
| Personal state of the prospect |

tive and collaborative reaction in the face of telesales pitches. In such cases, their main interest lies in obtaining information "about being able to compare offers and gaining time in seeking information" [17, M, age 24]. However, because the initiative for these calls does not come from the respondents, few of them mentioned that they coincided with their current needs, contrary to what Kirmani and Campbell (2004) observed when people go to stores.

Conversely, most respondents make use of *sentry strategies* (Kirmani and Campbell 2004), i.e. vigilant and not very cooperative reactions in relation to telesales. In comparison with the range of responses revealed by these authors in face-to-face interactions, different emphases become apparent here. The narrative sequences collected recount the conversational exchanges remembered by the respondents, in which, fairly briefly as a rule, the salesman's discursive procedures and their own fully prepared arguments follow on from one another. Indeed a number of respondents deploy pre-established strategies of the type "if... then", particularly recognizable in their accounts: "*when* I realize they're trying to sell me something, *I say* I'm not interested... *But* the guy insists... *Then* I *again* say I'm not interested" [3, F, age 25]. Others refer more explicitly to having recourse to "ripostes". The term is used no less than three times in the account of a female respondent [13, F, age 45], who presents herself as a kind of catalogue of replies deployed according to the arguments put forward: "With pseudo-companies which are supposed to save me money on my taxes, the *riposte* is to ask them to send me a brochure rather than an adviser; they reply, 'there are too many figures, it's best that someone advises you in a personal way', the *riposte* 'no, I know how to read and I don't have time to see anyone'. ...Or else, with telecom operators, I have another *riposte*. My husband works in France Telecom and I make a joke of it: 'If I change operator, my husband will divorce me.' They don't usually have any answer to that."

From the range of responses deployed by respondents, there emerges, after analysis, a gradation along a continuum of reactive intensity. The first stage is usually polite listening: "at first, I let them speak" [3, F, age 25], "I listen out of politeness to the beginning of the explanations" [5, M, age 24]. Then come avoidance tactics that enable the respondent to treat the caller respectfully and to preserve the "face of the other" (Goffman 1963): the delaying manoeuvres include asking for time to reflect: "I'll think about it, I've decided never to buy anything without thinking it over" [7, M, age 52] or lying about their identity or the information asked for by the salesman: "They often call my mother, but I pretend to be her so she won't be disturbed" or "when it's about tax matters, I always say I'm below the tax threshold, so that they'll leave me alone" [9, M, age 23].

At a third stage, and mainly if the salesman insists or does not realize that his approach is inopportune, respondents refuse to continue the conversation or resort to verbal aggression: "I asked him not to insist and to try someone else" [12, F, age 25], "He insisted and I cut him off to make him stop" [21, F, age 32]. These reactions are experienced by respondents as a direct response to the aggression they feel directed at them by telesales operators, even if what is recounted lies sometimes more in the register of intrusion or harassment: "More than anything, it's this insistence I can't stand. When I tell them 'no', it's as if they don't hear me. They just go on. I find this aggressive attitude very disturbing" [13, F, age 47]. Some of these reactions, as they are related, contain a certain degree of violence, which is probably more restrained and socially acceptable in reality than when subsequently reported in the course of the interview.

**Degree of resistance to telephone selling and factors affecting the reactions expressed**

Finally, analysis of telesales episodes brings out a continuum of resistant reactions (Fournier 1998), of which the weakest correspond to seeker strategies and with those of growing intensity indicating recourse to sentry strategies (Kirmani and Campbell 2004). However, among the latter, various situational factors presented in Table 2–cognitive and emotional–moderate resistance reactions. At the individual level, the gender of respondents emerges as a salient element in the different reactions observed.

- The degree of resistance to telephone selling is strongly influenced, as has been emphasized above, by pre-existing knowledge on the part of individuals and in particular by negative attitudes they have developed in the course of previous experience of this type of selling techniques. Further, as the literature on persuasion has clearly brought out, the degree of interest–or involvement–individuals have in what is being sold also influences their willingness to pay attention to the message (Petty and Cacioppo 1983). Lastly, whether or not the salesperson's company is known to the individual is also a major factor influencing respondents' reactions of trust/mistrust: "A man introduces himself and gives the name of the company. I don't know it, and I say to myself: There's no way, I'm not going to buy anything" [14, M, age 37]. The metaphor of "a wolf in sheep's clothing" [22, F, age 44] expresses the strong sense of the potential risks, all the more so since the prospect has no information for verifying the salesperson's claims, with often even the origin of the call appearing under an unlisted number. Like

the wolf who hides his identity in order to get close to his victim–what Cochoy (2004) depicts as a major market "capture device"–telephone selling is a dubious and threatening intrusion.

- At the same time, other factors influence the emotional response of the prospect, first and foremost the telesales operator's behavior. In this regard, argumentative insistence, the tone adopted, and the psychological motives used are most frequently the factors triggering negative responses: "On one occasion it was a charitable organization. I explained to him that I already contributed to a number of other charities, but he tried to make me feel guilty. It was very unpleasant! And when he asked how I earned, well, it was too much, and I told him, 'I'm not interested, thank you, goodbye.'" [14, M, age 37]

Reactions of anger are also reported when the telesales operator pays no attention to what the respondent is saying: "She was carrying on without letting me speak while I was telling her I was only interested in the SMS, but she was trying to make me take more. So I tried to bring in the competition by mentioning a competitor's all-in package to see if she offered me something better. But without a moment's hesitation she tried to prove to me by 2+2=5 that what she was offering was cheaper. As a result, I hung up on her" [20, M, age 25]. Anger can also be provoked in return by the telesales operator's irritation–because of his/her thwarted attempt to persuade –, resulting sometimes in disagreeable rejoinders addressed to the prospect. In such instances, the feeling of annoyance, doubly fed by the approach itself and by the uncalled for behavior of the salesperson, takes hold in a more lasting way: "She was raving about some new wine shop which has just opened in the neighborhood, and that the people involved think very highly of their services. This kind of secondhand recommendation from someone I don't know just simply irritates me. As a result, I couldn't help showing my exasperation, and then she said I was being rude. I went ballistic! These people intrude on you at home, then to make matters worse, they slag you off!! I almost called up the company to complain about people who aggress me in my own home when I've not asked them for anything." [6, F, age 33]

Reactions of surprise as to the reason for the call, due to the telesales operator's manipulative techniques, can also result in anger and rejection on the part of the respondent who feels deceived: "The most recent said to me: 'Hello, Mrs R, I'm your adviser So-and-so. Do you remember me?' I first thought it was someone I knew, because she introduced herself like that. I was surprised and irritated, and then I hung up" [1, F, age 53]. Conversely, a polite, respectful approach on the part of the sales operator and carefully judging and responding to the signals given out by the prospect are perceived as factors mitigating negative emotional reactions. "I gave him the brush-off, saying I wasn't at all interested. In the end, he got the message and said goodbye quite politely…" [15, M, age 32]. Apart from the behavior of the telesales operator, the time of the call and the physical and psychological state of the respondent play an important role in his/her response. Although most calls are made in the evening to increase the chance of making contact, some companies recognize that this is often not a good time because people are tired after returning home from work. Tiredness is frequently mentioned as a reason for rejecting telesales approaches, but sometimes too it results in lowered resistance to an aggressive sales technique. "I was tired from work, so I let him talk" [4, M, age 28]. In reality, whatever the time of the call, its unpredictability for the respondent often makes it seem like an inappropriate time–calls made too early in the morning, daytime calls characterized as "weird, because people are working then" [3, F, age 25], calls coming when the respondent is about to go out or in the middle of doing something.

At the individual level, analysis of the discourses and interviews indicates major differences according to respondents' gender. Although the results cannot be generalized, they do provide possible indications of a difference in perception of sales approaches. Generally speaking, women tend to be more susceptible to, irritated by and aggressive towards this type of approach than men. The number of accounts containing expressions of negative emotions, violent feelings and reactions of rejection is larger among female respondents, in a proportion of more than 60%, while women represent only 45% of the sample. These reactions seem to be even more pronounced when female telesales operators call them. "I've found it's worse with women than with men. Men are generally careful and reasonably pleasant, they don't insist too much. But the women think they can do anything. They're arrogant and aggressive" [18, F, age 33]. Men, on the other hand, mostly seem to be more tolerant of these influencing tactics, using irony or humor to withdraw from intrusive or undesirable situations.

## DISCUSSION, LIMITATIONS AND IMPLICATIONS

The aim of the research was to explore the nature of representations attached to the respondents' experience of telephone selling. These situations, liable to give rise to resistance reactions, provide a suitable analytic framework for identifying the determinants and consequences of such phenomena. The small size of the sample in this study does not permit the results to be generalized, but it does contribute to in-depth exploration of representations of this influencing technique. The accounts show in particular that far from reconstituting only the content of the interpersonal exchange with the telesales operator or the strategies adopted in response to his arguments (Kirmani and Campbell 2004), the interviewees provide many indications of the cognitive schema in which the decoding of the situation experienced lies. This in turn contributes to enriching their knowledge and shaping their later opinions of these practices. Such metacognition of market relations, as well as of their intentions and mechanisms, leads to the construction of a repertoire of avoidance strategies that in varying degrees reflects a high level of resistance. At the individual level, gender seems to influence the way telesales calls are perceived. However, it would be interesting to investigate in a more detailed way how these role identities, experienced through the concepts of masculinity and femininity, influence their reactions.

In relation to the many descriptive and comprehensive approaches to resistance phenomena (Dobscha and Ozanne 2001; Duke 2002; Peñaloza and Price 1993; Thompson and Haytko 1997), bringing to light the principles of construction and mobilization of market metacognition shows the importance of elucidating the conflict of representations from which adverse reactions to firms and the market arise. They constitute a unique terrain compared to other techniques of persuasion and of creating resistance, both because they engage people in an interactive relationship–unlike advertising which communicates in an impersonal way and which can partially be protected against by avoidance behaviors (Roux 2007)–and because this interaction has not been chosen by them, in terms either of time or content or the caller, in contrast to relations at points of sale (Kirmani and Campbell 2004). Other contexts can also be addressed with the help of this framework for analysis, since over time consumers construct a repertoire of representations of market functioning. Firms' various schemes–their offerings and discourses and more generally the macro-

economic vision that supports the system as a whole–to a large extent feed these representations. The social fabric in which consumers develop also influences their beliefs. The progressive encoding of events in their environment thus contributes to the building of a structure of knowledge through which they categorize the situations and events they are exposed to and that as a consequence orient their consumption choices or non-choices.

The metacognition approach appears to have a number of important implications. As the results show, the heuristics of recognizing tactics, when these have been perceived, categorized and memorized, appear to be lasting and relatively unresponsive to the contingent arguments from the influencing agents. Resistance is simply triggered by the perception of the persuasion mechanism, independently of the content of the message it is transmitting (Friestad and Wright 1994). On the other hand, it is interesting to notice that most of the negative perceptions collected in this study bear more upon the telesales agents than on the sponsors of these approaches. The opaque nature of the techniques, with the respondent not always aware of its original source and possible attribution, is possibly the origin of this relative lack of comment on the brand itself. On the other hand, respondents' focus on telesales episodes has possibly contributed to a concentration on their comments on this subject rather than on the companies behind these operations. A more detailed exploration of the repercussions of these techniques on brand perception is thus a line of research to be developed.

The constructed and sedimented nature of respondents' awareness also shows that when a change of meaning has taken effect in the perception of a persuasive encoded mechanism, resistance increases. Friestad and Wright (1994) point out in this respect that the more educated and informed the consumer, the more he/she is capable of proceeding through "self-generated" warning signs and of opposing attempts to influence by defensive tactics. This last point questions the possible development of consumer/firm relations, such as Holt (2002) attempts to do when making various recommendations on brands' positioning arguments and their link with consumer resistance. Although the market is undeniably an incessant "polylogue" that absorbs and recycles criticism (Boltanski and Chiapello 2006), there is every reason to imagine what forms of action firms can deploy without fuelling conflicts that feed consumers' resistance. One of the main difficulties no doubt lies in the fact of pinpointing these conflicts. In this respect our results suggest several important recommendations for reducing negative reactions to telesales. First, a respectful attitude to customers proves to be essential. The lack of availability of the prospect at the time of calling should lead to polite withdrawal on the part of the telesales operator, even if it means renewing the call later and with the prospect's agreement. Lack of interest in a product should also be dealt with tactfully, by trying to find out the reasons for this and whether they are temporary or long term. Promises through which prospects are attracted to points of sale should also be restrained and should not turn out to be crude traps when the prospect arrives at the shop. The profession as a whole would gain by reducing and controlling pressure on people, in order not to generate, in the long term, systematic reactions of refusal that would generally jeopardize its effectiveness.

Extending our perspective, it would be important to obtain not only the prospect's perception during the influencing episode, but at the same time also that of the telesales operator–which is not necessarily symmetrical–and to analyze possible distortions between the two systems of representations (DeCarlo 2005). The lead-ins, lines of arguments and types of response used by telesales operators would require being previously tested in practice in order to understand the perceptions they give rise to among the respondents. Thus a new technique used recently by telesales operators involves leaving a few seconds of silence, after the prospect has answered, to give him or her time to identify, through the background noise of the service, that it is a telephone sales call. The fact that the prospect abruptly hangs up without waiting for the operator indicates refusal to cooperate and constitutes an index, acquired in a less intrusive yet nonetheless very explicit way, of his or her intentions.

Another route would be to explore, over and beyond the telephone approach, the whole sequence of a sale and the meanings that it gives rise to throughout the process, including its possible recursive effects on the perception of telesales approaches which are often their point of departure. Finally, the difference in elaborations of cognitive systems according to people's age and educational level could make it interesting to study the mechanisms to which particular groups of respondent are, or become, sensitive and which contribute, at a given moment, to activating their resistance.

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# The Relationships Between Dissatisfaction, Complaints and Subsequent Behavior in Electronic Marketplace

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## ABSTRACT

This paper investigates customer dissatisfaction and complaining behaviour's effects on a large data-set for a major pure play e-tailer. It presents a theoretical framework and empirically examines twelve propositions. It first investigates the relationships between e-dissatisfaction (Web site and e-purchase dissatisfactions) on customers' exit, voice and word of mouth. It then focuses on customers' e-complaining behaviour subsequent variables such as exit and referral. In particular, customers satisfied with the company's response to their complaint are compared to others. Last, findings are discussed and contrasted to the traditional marketplace literature.

## INTRODUCTION

The marketing literature reveals that complaint handling is strategic for companies. Effective complaint management has been shown to increase customer satisfaction and loyalty. It is now commonplace that a customer is worth the value he is complaining for (Fornell and Westbrook, 1984). A great deal of research has investigated customer complaining behaviour in offline environments. Surprisingly, in spite of the importance of marketing defensive strategies for e-tailers, still little is known regarding customer complaint processes and behavioural outcomes in this sector. Indeed, in year 2000, over 92% of online merchants were actively building a loyalty program (Abbott, Chiang, Hwang, Paquin and Zwick, 2000). Though, little research has been done to analyse and understand customers' online dissatisfaction and complaining behaviour outcome, but Cho, Im, Hiltz and Fjermestad (2002), Bansal, McDougall, Dikolli and Sedatole's (2004) researches. Cho *et al.* (2002) have investigated the impact of e-dissatisfaction on exit and propensity to complain, in both online and offline environments. They also analysed customers' propensity to complain impact on repeat purchase intention. Bansal *et al.* (2004) have explored the relationship between the overall web-satisfaction, referrals and retention. No research to our knowledge has empirically examined the impact of e-complaining on exit and referral in an Internet environment. This study explores the behavioral consequences of customers' dissatisfaction and complaints on customers' propensity to exit and recommend the Web site. It relies on a large data-set of over 7000 customers reporting their overall satisfaction, complaints, repeat purchase intentions and referrals for a major e-retailer: Expedia, the world-wide Internet travel leader. This research is the first one to the best of our knowledge to investigate the relationships between customer complaining behaviour and subsequent constructs such as exit or referral in electronic marketplace. Precisely, its purpose is two-fold. Firstly, it analyses the interrelationships among customer e-dissatisfaction, exit, complaining behaviour and referral. In this respect, it deepens Cho *et al.*'s (2002, 2003) and Bansal *et al.*'s (2004) researches. It then focuses on customers e-complaint consequences: Exit and referral. In particular, we investigated exit and referrals for complainers who were satisfied with the resolution of their complaint ('satisfied complainers') in contrast to non complainers. Similarly, we compared exit

and referrals for satisfied complainers to 'dissatisfied complainers' (i.e. complainers who were not satisfied with the resolution of their complaint). Lastly, we explored the above mentioned behavioural outcomes considering the nature of the complaint.

This paper is organized as follows. It first presents the research's conceptual framework. It then exposes the method and the results. Finally, the main findings are discussed, analysed and compared to what is known in the traditional marketplace.

## CONCEPTUAL FRAMEWORK

Over the past decades, customer satisfaction, dissatisfaction and complaining behaviour have been shown to be the very cornerstone of marketing defensive strategies. Numerous researches have underlined that a satisfied customer is more loyal, buys more (Anderson and Sullivan, 1993), is less sensitive to product /service prices (Fornell, Johnson, Anderson, Cha, Everitt and Bryant, 1996), buys other products/services from the same company (Fornell, 1992) and generates positive word of mouth (Anderson 1998). Besides, it was found that satisfaction plays a key role in building companies shareholder value (Gruca and Rego, 2005). Fornell, Mithas, Morgeson and Krishnan (2006) reveal that firms which do better in terms of satisfying customers tend to generate a superior return on investment and yield higher profits. Similarly, dissatisfied customers have been identified as less loyal, to complain more and create negative word of mouth (Bearden and Teel, 1983). In the Internet settings, it has been argued that dissatisfaction and complaining behaviour can be detrimental to companies' long term profits (Reichheld and Shefter, 2000). However, there is a paucity of research on both e-dissatisfaction and e-complaining behavior's outcomes. Relying on Hirschman's (1970) micro-economic seminal framework as well as on previous findings in online or offline environments, we define an e-dissatisfaction and complaining behaviour framework.

### Customers' e-dissatisfaction behavioral's consequences

According to Hirschman (1970), dissatisfied customers might exit (stop consuming the product / service), voice (tell the management what is wrong and what is expected), or remain loyal (continue to purchase the product / service). Numerous researches have investigated consumer dissatisfaction in offline environments. Scholars have suggested or shown that dissatisfied customers with the firm are more likely to exit (Maute and Forrester, 1983; Bolton and Bronkhorst, 1991). In online settings, Bansal *et al.* (2004) show that Web site satisfaction / dissatisfaction is significantly related to referral (likelihood to recommend), retention (likelihood to repurchase) and online conversion (number of online buyers and visitors expressed as a percentage). They define e-satisfaction as a Web site satisfaction, but do not investigate the e-purchase satisfaction's outcomes. Yet, the literature distinguishes two kinds of satisfaction: Satisfaction with the Web site (Reibstein, 2002) and satisfaction with the purchase process (Symanski and Hise, 2000; Anderson and Srinivasan, 2003). To our knowledge, no research has empirically investigated the consequences of e-purchase satisfaction on constructs such as complaining behavior, recommendation or exit. In line with these findings and definitions, we propose that customers who have lower levels of either Web site or e-purchase satisfactions are more likely to exit.

$P_{1a,b}$: *Customers who have lower levels of Web site satisfaction ($P_{1a}$) / e-purchase satisfaction ($P_{1b}$) are more likely to exit the Web site.*

In the traditional marketplace, scholars have shown that satisfaction is positively linked to word of mouth defined as informal communications between private parties concerning evaluations of goods and services. Silverman (1997) highlights that word of mouth is important to marketers because it can be a major potential source of future business. Anderson (1998) also demonstrated that dissatisfied customers engage in a greater word of mouth than satisfied ones. In an e-commerce context, Bansal *et al.* (2004) have shown that Web site satisfaction is also significantly related to referrals (they define as the likelihood to recommend) but did not investigate the impact of e-purchase satisfaction on likelihood to recommend. In line with this, we propose that customers who have lower levels of either web or e-purchase satisfactions are less likely to make positive recommendations to a relative.

$P_{2a,b}$: *Customers who have lower levels of Web site satisfaction ($P_{2a}$) / e-purchase satisfaction ($P_{2b}$) are less likely to recommend the Web site.*

Consistently with Hirschman's (1970) framework, researches have demonstrated that dissatisfied customers are more likely to give voice than others. Cho *et al.* (2002) find that as degree of Web site dissatisfaction increases, so does the customer propensity to complain. We therefore propose that customers who have lower levels of either Web site satisfaction or e-purchase satisfaction are more likely to complain.

$P_{3a,b}$: *Customers who have lower levels of Web site satisfaction ($P_{3a}$) / e-purchase satisfaction ($P_{3b}$) are more likely to complain.*

**Customers' voice behavioral's consequences in the e-commerce**

Numerous scholars have shown that complainers are more likely to exit (Solnick and Hemenway, 1992). In online environments, it has been argued that searching and switching costs are low (Reichheld and Schefter, 2000). It is very easy for customers to exit the Web site. We therefore expect that customers who complain are more likely to exit the Web site.

$P_4$: *Customers who complain are more likely to exit the Web site than customers who don't complain.*

Although complaints may have severe consequences, a great deal of research has popularized the idea that satisfactory service recovery is profitable for companies (Hart, Heskett and Sasser, 1990; Smith and Bolton, 1998). TARP's (1979) results have highlighted that complaint resolution lead to increased loyalty. A well-handled problem of complaints will produce customers who are actually more loyal than those experiencing no problem at all. Additionally, Walther (1992) finds that complainers are more likely to buy again than non-complaining but dissatisfied customers. Therefore, knowing exit is just at a mouse click in the e-commerce, we may expect that,

$P_{5a}$: *'Satisfied e- complainers' (complainers who are satisfied with the complaint resolution) are less likely to exit the Web site than 'e-dissatisfied complainers' (complainers who are not satisfied with the complaint resolution).*

$P_{5b}$: *E-complainers are less likely to exit the Web site than non-complaining but Web site dissatisfied customers.*

TARP's results also reveal that 'satisfied complainers' recommend more strongly the company to relatives than 'dissatisfied complainers' (those who were given a dissatisfactory response). Reichhed and Schefter (2000) underlines that is also true for the e-commerce and points that the Internet amplifies the effects of word of mouth. Therefore, we propose that,

$P_{6a}$: *'Satisfied e- complainers' are more likely to recommend the Web site than 'e-dissatisfied complainers'.*

Bolton and Bronkhorst (1995) suggest that complainers' loyalty varies in magnitude according to the nature of their complaint. More precisely, relying on Gilly and Gelb (1982), they propose that customers complaining about a monetary loss are more likely to be satisfied with the firm's response and are less likely to exit. It is well known that customers often choose to buy on the Internet because they can compare prices and get the best price. We may therefore infer that, in online environment,

$P_{7a,b}$: *E-customers who complain about a payment problem are more likely to be satisfied with the firm's response ($P_{7a}$) and less likely to exit the Web site ($P_{7b}$) than customers who complain about other problems.*

## METHODOLOGY

This research investigates dissatisfaction and complaining outcomes in the Internet fast growing industry. To do so, we explored a large and unique data set of over 7000 Expedia's customers. Expedia.com is the online leading travel planning and flight-booking site.

**The sample**

7458 customers answered an on-line survey three days after having bought on Expedia's Web site in 2006. The response rate was 29.5%. 46.9% of the respondents were men, 53.1% female. Interviewees' average age was 42 years old. Complainers were identified from a survey question about the purpose of calls to the customer service center (cf. Exhibit 1). Out of the 7458 interviewees, 1188 (15.92%) contacted the customer service center among which 561 complained (7.5%). Customers' complaints were classified in three categories: a) Payment problem; b) browsing / connection problem or c) problem related to the service they bought (cf. Exhibit 1).

**The survey questionnaire**

The survey consisted of online questionnaires. It measured customers' overall Web site satisfaction, overall e-purchase satisfaction and intention to recommend and repurchase on the site. Interviewees were also asked to submit some demographics and to indicate i) whether they contacted the customer service center; ii) the nature of their complaint and iii) their levels of satisfaction regarding the response given by Expedia to redress the problem they encountered. Overall Web site and e-purchase satisfactions were measured on single items. The scales consisted of five points Likert scales anchored very dissatisfied to very satisfied (cf. Exhibit 1). Intention to buy again is used here as a proxy measure of exit (a customer answering no to this question is considered as exiting the Web site). Intention to buy again on the Web site and to recommend the Web site to relatives were measured on five points scales anchored 'yes certainly' and 'no, certainly not'.

<center>**EXHIBIT 1**
Survey items</center>

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**Satisfaction items**, measured on 5 points Likert scales (anchored 1= very satisfied to 5=very dissatisfied)
1. *Overall, how satisfied are you with the buying process?*
2. *Overall, how satisfied are you with Expedia's Web site?*

**Loyalty item**, measured on a 5 points semantic scales (anchored 1= Yes, certainly to 5 certainly not)
3. *Do you intend to buy your next trip on Expedia?*

**Recommendation item**, measured on a 5 points semantic scale (anchored 1= Yes, certainly to 5 certainly not)
4. *Would you recommend Expedia to one of your near relative?*

**Customer service**
5. Did you call Expedia's customer service during your shopping experience? (Yes/No)
6. If you have contacted the customer service, you did it in order,
- *to have an information not available on the Web site*
- *to have side information,*
- *because you encountered a problem on the Web site (connection / browsing)*
- *because you prefer to pay by phone than on the Internet*
- *to claim regarding a purchase*
- *because you encountered a problem when paying on the site*
- *to get a customized piece of advice.*
7. How satisfied are you with the answer that was given to you in comparison to your expectations, measured on 5 points Likert scales (anchored 1= very satisfied to 5=very dissatisfied)

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<center>**RESULTS**</center>

**Respondent demographics**

The data indicate that 53.5% of the e-purchase dissatisfied customers are men while 50.1% of the Web site dissatisfied customers are women. Customers who declare dissatisfaction are 43 years old on average. Among the 561 complainers, 116 (20.7%) lodged more than one complaint. A total of 691 grievances were identified. Precisely, 44.1% of the complaints dealt with a payment problem, 36% with a Web site (either connection or browsing) problem and 19.82% with the purchased travel.

**Customers' e-dissatisfaction behavioural consequences**

To investigate the first two propositions ($P_{1a}$ and $P_{1b}$) we compared the Web site satisfaction and e-purchase satisfaction for two groups: People who want to exit and people who do not want to exit. To do so we ran two chi-square tests. The results are presented in Tables 1a and 1b.

Consistently with our predictions and with the marketing offline literature, the data revealed that we should reject the null hypothesis $H_0$ in both cases (i.e. for both $P_{1a}$ and $P_{1b}$). Customers who have lower levels of Web site satisfaction ($P_{1a}$) are more likely to exit ($\chi^2$=788.71; p<0.01). Similarly, customers who have lower levels of e-purchase satisfaction ($P_{1b}$) are more likely to exit ($\chi^2$=708.92; p<0.01).

In a similar fashion, we ran two chi-square tests to assess $P_{2a}$ and $P_{2b}$. The results (cf. Tables 2a and 2b) support $P_{2a}$ and $P_{2b}$. In both cases, the null hypothesis $H_0$ is rejected. Customers showing lower levels of Web site satisfaction are less likely to recommend ($\chi^2$=1103.22; p<0.01); which is also the case for customers having lower levels of e-purchase satisfaction ($\chi^2$=1380.44; p<0.01). Like in off-line context, customer satisfaction (either towards the Web site or e-purchase experience) is positively linked to customers referral.

Web site dissatisfaction has been shown to determine customer complaining behavior ($P_{3a}$). However, customer e-purchase dissatisfaction's impact on complaints has not been investigated yet. To examine $P_{3a}$ and $P_{3b}$, we ran two chi-square tests. The results (cf. Table 3a & 3b) lead to reject the null hypothesis $H_0$ in both cases. Customers having lower levels of Web site satisfaction are more likely to complain ($\chi^2$=312.93; p<0.01), which is also the case for customers having lower levels of e-purchase satisfaction ($\chi^2$=144.113; p<0.01). Interestingly, the data indicate that, like in offline environments, a majority of dissatisfied customers does not complain. Tables 3a and 3b show that only 32.3% and 34.8% of web / e-purchase dissatisfied customers lodged a complaint.

**Customers' e-complaints behavioural consequences**

In line with the marketing offline literature, we proposed that complainers are more likely to exit the Web site than non complainers. To examine this proposition, we compared complainers versus non complainers' exit intentions with a chi-square test. Complainers were identified here as the people who called the customer service center either because they encountered a payment, browsing/connection problem or because they voiced about a purchase (cf. Exhibit 1). As shown in Table 4, the chi-square test's result clearly indicates that there is a significant difference between complainers versus non complainers ($\chi^2$=24.85; p<0.01). Indeed, 36.5% of the complainers' say they will exit versus 22.9% for the non complainers.

Yet, this finding might need qualifying since we cannot analyse customers who did not answer the survey. We may hypothesize that these customers were non-complainers who exited. Though, on the basis of the completed online questionnaires, we find that complainers are more likely to exit the Web site than non complainers. Interestingly also, 63.5% of the complainers declared they will not exit the Web site.

**TABLE 1A**
Web site Satisfaction & Exit ($P_{1a}$)

|  | Very dissatisfied | Somewhat dissatisfied | Neither satisfied / nor dissatisfied | Somewhat satisfied | Very satisfied |
|---|---|---|---|---|---|
| Exit | 64 (97%) | 181 (58%) | 117 (62.2%) | 1188 (24.5%) | 195 (9.5%) |
| Don't Exit | 2 (3%) | 131 (42%) | 71 (37.8%) | 3659 (75.5%) | 1850 (90.5%) |
| Nb. Obs | 66 | 312 | 188 | 4847 | 2045 |

**TABLE 1B**
E-Purchase Satisfaction & Exit ($P_{1b}$)

|  | Very dissatisfied | Somewhat dissatisfied | Neither satisfied / nor dissatisfied | Somewhat satisfied | Very satisfied |
|---|---|---|---|---|---|
| Exit | 102 (78.5%) | 156 (62.4%) | 39 (54.2%) | 1037 (27.4%) | 411 (12.7%) |
| Don't Exit | 28 (21.5%) | 94 (37.6%) | 33 (45.8%) | 2743 (72.6%) | 2815 (87.3%) |
| Nb. Obs | 130 | 250 | 72 | 3780 | 3226 |

**TABLE 2A**
Web site Satisfaction & Recommendation ($P_{2a}$)

|  | Very dissatisfied | Somewhat dissatisfied | Neither satisfied / nor dissatisfied | Somewhat satisfied | Very satisfied |
|---|---|---|---|---|---|
| No Rec | 98 (75.4%) | 114 (45.6%) | 28 (38.9%) | 366 (9.7%) | 159 (4.9%) |
| Rec | 32 (24.6%) | 136 (54.4%) | 44 (61.1%) | 3414 (90.3%) | 3067 (95.1%) |
| Nb. Obs | 130 | 250 | 72 | 3780 | 3226 |

**TABLE 2B**
E-Purchase Satisfaction & Recommendation ($P_{2b}$)

|  | Very dissatisfied | Somewhat dissatisfied | Neither satisfied / nor dissatisfied | Somewhat satisfied | Very satisfied |
|---|---|---|---|---|---|
| No Rec | 63 (95.5%) | 125 (40.1%) | 107 (56.9%) | 389 (8%) | 81 (4%) |
| Rec | 3 (4.5%) | 187 (59.9%) | 81 (43.1%) | 4458 (92%) | 1964 (96%) |
| Nb. Obs | 66 | 312 | 188 | 4847 | 2045 |

To assess the propositions $P_{5a}$ and $P_{5b}$, we also ran chi-square tests. The first analysis (cf. Table 5a) revealed that 'satisfied complainers' (i.e. customers who received a satisfactorily answer from the company) are less likely to exit the Web site than dissatisfied complainers' (i.e. than customers who did not receive a satisfactorily answer), which is consistent with the traditional marketing literature. The chi-square test rejects the null hypothesis $H_0$ ($\chi^2=12.33$; p<0.01). Additionally, the findings regarding $P_{5b}$ (cf. Table 5b) also lead to reject the null hypothesis $H_0$ ($\chi^2=9.25$; p<0.01). Complainers here are less likely to exit the Web site than dissatisfied and non-complaining customers.

Considering satisfied complainers versus dissatisfied complainers' likelihood to recommend ($P_{6a}$), the chi-square test result supports our prediction ($\chi^2=29.62$; p<0.01). 89.1% of the satisfied customers declare they will recommend the Web site to relatives. Yet, surprisingly, 70.9% of the 'dissatisfied complainers' declare they will recommend again! This can be explained by the fact that either the problem was no that big, or because the price savings were worth the problem these customers encountered. Another explanation relies on the idea that the complaining process per se enhances complainers' probability to recommend the Web site. Complaining to a customer service center is a unique opportunity to get in touch with the supplier. It also humanizes the supplier. This is why the complaining process is probably more critical in online settings than in the traditional marketplace.

Overall, like in the traditional marketplace, our findings underline the importance of service recovery. It shows that a 'satisfied complainer' exhibit a positive attitude toward the Web site since

**TABLE 3A**
Web site Satisfaction & Complaining Behavior ($P_{3a}$)

|  | Very dissatisfied | Somewhat dissatisfied | Neither satisfied / nor dissatisfied | Somewhat satisfied | Very satisfied |
|---|---|---|---|---|---|
| Don't complain | 88 (67.7%) | 180 (72%) | 67 (93.1%) | 3477 (92%) | 3085 (95.6%) |
| Complain | 42 (32.3%) | 70 (28%) | 5 (6.9%) | 303 (8%) | 141 (4.4%) |
| Nb. Obs | 130 | 250 | 72 | 3780 | 3226 |

**TABLE 3B**
E- Purchase Satisfaction & Complaining Behavior ($P_{3b}$)

|  | Very dissatisfied | Somewhat dissatisfied | Neither satisfied / nor dissatisfied | Somewhat satisfied | Very satisfied |
|---|---|---|---|---|---|
| Don't complain | 43 (65.2%) | 255 (81.7%) | 169 (89.9%) | 4486 (92.6%) | 1944 (95.1%) |
| Complain | 23 (34.8%) | 57 (18.3%) | 19 (10.1%) | 361 (7.4%) | 101 (4.9%) |
| Nb. Obs | 66 | 312 | 188 | 4847 | 2045 |

**TABLE 4**
Complaint & Exit ($P_4$)

|  | Complainers | Non-Complainers |
|---|---|---|
| Exit | 91 (36.5%) | 1654 (22.9%) |
| Don't Exit | 158 (63.5%) | 5555 (77.1%) |
| Nb. Obs | 249 | 7209 |

**TABLE 5A**
Satisfied / Dissatisfied Complainers & Exit ($P_{5a}$)

|  | Dissatisfied Complainers | Satisfied Complainers |
|---|---|---|
| Exit | 107 (41.5%) | 83 (27.4%) |
| Don't exit | 151 (58.5%) | 220 (72.6%) |
| Nb. Obs | 258 | 303 |

**TABLE 5B**
Complainers vs. Web-Dissatisfied and Non-Complaining Customers & Exit ($P_{5b}$)

|  | Complainers | Web-Dissatisfied & Non-Complainers |
|---|---|---|
| Exit | 155 (37.3%) | 12 (75%) |
| Don't exit | 261 (62.7%) | 4 (25%) |
| Nb. Obs | 416 | 16 |

they recommend it in higher proportions than dissatisfied complainers. It also suggests that the customers complaining process is more crucial in online environments. Indeed, 70.9% of the dissatisfied complainers declare they will recommend the Web site while 75% of the web-dissatisfied non complaining customers declare they will not buy their next trip on this Web site again.

**TABLE 6A**
Satisfied / Dissatisfied Complainers & Recommendation ($P_{6a}$)

|  | Dissatisfied Complainers | Satisfied Complainers |
|---|---|---|
| Recommend | 183 (70.9%) | 270 (89.1%) |
| Don't recommend | 75 (29.1%) | 33 (10.9%) |
| Nb. Obs | 258 | 303 |

**TABLE 7A**
Monetary Complainers versus others Complainers & Satisfaction with the company's response ($P_{7a}$)

|  | Very dissatisfied | Somewhat dissatisfied | Neither satisfied/ nor dissatisfied | Somewhat satisfied | Very satisfied | Nb. Obs. |
|---|---|---|---|---|---|---|
| Monetary complaint | 22 (7.2 %) | 25 (8.2%) | 12 (3.9%) | 103 (33.8%) | 143 (46.9%) | 305 |
| Other complaint | 52 (20.3%) | 25 (9.8%) | 7 (2.7%) | 71 (27.7%) | 101 (39.5%) | 256 |

**TABLE 7B**
Monetary Complainers versus other Complainers & Exit ($P_{7b}$)

|  | Monetary complainers | Other Complainers |
|---|---|---|
| Exit | 169 (45.6%) | 87 (45.8%) |
| Don't Exit | 202 (54.4%) | 103 (54.2%) |
| Nb. Obs | 371 | 190 |

As far as the nature of the complaint is concerned ($P_{7a}$ and P7b), we find mixed support. As shown in Exhibit 1, Expedia's customers can complain for different reasons. To analyse complaints related to payment problems in contrast to other complaints (cf. Exhibit 1), we ran two chi-square tests. The first one compares customers' propensity to be satisfied when they complained for monetary reasons to customers' propensity to be satisfied when they complained for another reason. The data shows that the null hypothesis $H_0$ must be rejected ($\chi^2$=22.48; p<0.01). Therefore, $P_{7a}$ is supported. Customers who complain about a monetary problem are found to be more likely to be satisfied with the firm's response than other complainers (cf. Table 7a).

Contrarily, the chi-square test examining whether customers who complain about a monetary problem are less likely to exit than other complainers reveal that the null hypothesis $H_0$ cannot be rejected (p=0.056). $P_{7b}$ is not supported. All complainers are equally expected to exit. The nature of the complaint does not make any difference here.

## DISCUSSION AND CONCLUSIVE REMARKS

These findings show and therefore support that customers' Web site and e-purchase dissatisfaction have significant relationships with customer e-complaining behavior, Web site exit and referrals. It is based on a large data-set of over 7000 customers for a major e-retailer: Expedia. To our knowledge, this is the first research to reveal connections between e-purchase dissatisfaction and e-customers' exit or word of mouth. Besides, it demonstrates that customer e-complaining behavior impacts their likelihood to exit the Web site and creates negative word of mouth. Additionally, this paper underlines the strategic importance of the complaining process and service recovery in online settings.

Precisely, the findings highlight that customer's web or e-purchase dissatisfactions entail a higher propensity to exit ($P_{1a}$ and $P_{1b}$) and a smaller likelihood to recommend ($P_{2a}$ and $P_{2b}$). 97% of the Web site very dissatisfied customers are found to intend to exit the Web site. Conversely, 90.5% of the very satisfied declare they will buy on Expedia again. Similar results are found for e-purchase satisfaction. Moreover, the data indicates that respectively 75.4% and 95.5% of the Web site and e-purchase very dissatisfied customers will not recommend the Web site to relatives; while 95.1% and 96% of the Web site and e-purchase very satisfied customers say they will. Consistently with both the online and offline literatures also, the results reveal that web / e-purchase dissatisfied customers are more likely to complain ($P_{3a}$ and $P_{3b}$). Yet, it is important to notice that very few dissatisfied customers voice their complaint here. Indeed, as Tables 3a and 3b suggest it, over 70% of the web / e-purchase dissatisfied customers do not complain!

The findings also highlight that though complainers are more likely to exit the Web site ($P_4$), only 36.5% declare they will. We also find that though 89.1% of the 'satisfied complainers' declare

they will recommend the web site, 70.9% of the 'dissatisfied complainers' declare they will also recommend the Web site. Additionally, the data indicate that that most of the dissatisfied complainers (58.5%) do not intend to exit the Web site, which again, is not consistent with the off-line literature. These findings suggest that the complaining process per se may increases customers' intentions to buy again and to recommend in off-line settings. Contrarily to offline buying situations, the complaining process is the unique opportunity for the customer to get in touch with the supplier. It humanizes the buyer-seller relationship and appears to increase considerably online customers' positive attitudes toward the Web site. For this reason, giving customers the opportunity to complain is probably more critical on-line.

Now, considering service failure recovery, the data clearly shows that complainers who are satisfied with the complaint resolution ('satisfied complainers') are less likely to exit the Web site than customers who are dissatisfied with the complaint resolution ('dissatisfied complainers') (P5$_a$). As shown in Table 5a, 41.5% of the 'dissatisfied complainers' versus 27.4% of the 'satisfied complainers' intend to exit the Web site. This therefore suggests that service failure recovery is strategic for online merchants too.

In line with our predictions too, the findings show that complainers are twice as much more likely to be loyal to the site than web dissatisfied but non-complaining customers (P5$_b$). This confirms that encouraging dissatisfied e-customers to complain helps managers to increase customers' e-loyalty and therefore build long-term profitable relationships. This also supports again that the complaining process per se plays a key role in the quest for online loyalty. This is all the more important as it has been shown that loyalty is more critical in online settings than in the traditional retail (Reichheld and Shefter, 2000).

Last, the results partially support the idea that customers complaining about monetary problems are less likely to exit the Web site and more likely to recommend than customers complaining about other problems (P7$_a$ and P7$_b$). Although, the data clearly shows that customers who complain because they had a problem when paying on the Web site are more likely to be satisfied with the firm's response (P7$_a$), however we do not find that these customers are less likely to exit than customers who complain for other reasons (P7$_b$).

In conclusion, these findings are in line with most of our predictions. Overall, this research underlines, like in the traditional marketplace, the importance of customer dissatisfaction and complaining management for the growing e-commerce industry. This is all the more important since like we noticed before, marketing defensive strategies are more critical than in the traditional marketplace. Understanding dissatisfaction and complaining behaviour outcomes in e-commerce is also crucial since this sector is getting hyper competitive. The 2005 Forrester Research forecasts that US online retail sales in 2010 will account for 328.6 US $ billions (double the amount compared to 2005). Interestingly, this research highlights that the complaining process per se plays a key role in creating online loyalty, since a large amount of 'dissatisfied complainers' (i.e. complainers who are dissatisfied with the complaint resolution) intend to buy again and recommend the Web site.

In an academic perspective, this research proposes an initial validation of complaint effects on customer subsequent behaviour. Based on a large representative e-customers dataset, it paves the way for future research on customer complaint behavioural consequences and calls for replications. Though our results are very encouraging, they encounter some limitations. The main limitation is due to the measurement of exit which is rendered here as a

customer intention to come back. It would be interesting to use real behavioural data. Another limitation is due to the fact that customers reported their complaints via a customer service call-center. Indeed, other channels are often used like e-mailing (Strauss and Hill, 2001), regular mail or anti domain sites to complain. It would therefore be interesting to study whether customer complaining behavior differs across these channels.

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# The "Dark Side" of Brand Alliances: How the Exit of Alliance Members Affects Consumer Perceptions

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## INTRODUCTION

Brand alliances are becoming more frequent in a wide variety of industries (Levin and Levin 2000; McCarthy and Norris 1999). Consequently, academic research in this area has expanded over the last few years (Gammoh, Voss and Chakraborty 2006). This has increased our understanding of the nature and different forms of brand alliances (Washburn, Till and Priluck 2004), and its effects on partners (Lafferty, Goldsmith, Hult 2004) and consumers (Samu, Krishnan and Smith 1999; Gammoh et al. 2006; Vaidyanathan and Aggarwal 2000; Lebar, Buehler, Keller, Sawicka, Aksehirili and Keith 2005). One of the most significant findings in brand alliance research is that an unknown brand can benefit from joining a brand ally with a favourable reputation (Rao and Ruekert 1994; Simonin and Ruth 1998; Washburn, Till, Priluck 2000). However, while such positive effects of brand alliances are currently being investigated more thoroughly (Gammoh et al. 2006), less attention is paid to the "dark side" of brand alliances that might appear, for example, if an alliance partner experiences negative feedback effects due to quality problems relating to the partner brand (McCarthy and Norris 1999) or when brand alliances fail. Nevertheless, some authors have acknowledged the negative effects that can derive from brand alliances (Hillyer and Tikoo 1995; Washburn et al. 2000; Janiszewski and van Osselaer 2000). Given these potential drawbacks, brand alliances are not necessarily win/win strategies for the alliance partners (Washburn et al. 2000).

To analyze the pros and cons of brand alliances the airline industry is a prominent and generally relevant example. Almost ten years ago, Air Canada, Lufthansa, SAS, Thai Airways International and United Airlines launched the first strategic airline network, the Star Alliance. Since then, the number of such alliances has grown rapidly, reaching about 500 strategic and tactical alliances (including code share agreements) in the year 2005 (Mountford and Tacoun 2005). The three largest alliances, Star Alliance, SkyTeam Alliance, and Oneworld, account for more than 55% of all passengers travelling each year (IATA 2005; staralliance.com; skyteam.com; oneworld.com). The benefits for member airlines derive mainly from cost reduction due to economies of scale and economies of scope. This has become even more important, since the increasing price of fuel has seriously reduced airline profitability (IATA 2005). In addition, being an airline alliance member also provides potential for growth, due to the greater number of hubs for arrival and departure. Experts anticipate continuous growth, especially in China and Central Europe (IATA 2005; Dudley and Choueke). Therefore, the leading airline alliances are keen to develop their networks in these regions. SkyTeam Alliance included Aeroflot as the tenth member of its alliance in May 2006, and recently signed an agreement with China Southern Airlines indicating that the Chinese carrier is on track for official membership (skyteam.com). Japan Airlines will become part of Oneworld in April 2007 (oneworld.com) and Star Alliance has invited Air China to join their alliance (staralliance.com).

However, returning to the "dark side" of alliances, the number of examples of carriers quitting alliance agreements is growing. Star Alliance encounters severe problems in South America: Mexicana left the alliance in 2004 after their decision to end its seven-year code share agreement with Star Alliance member United *Airlines* (Shifrin 2003). Since then, the major Brazilian carrier Varig has been the only partner in South America. Recently, Star Alliance has coped with a possible liquidation of Varig. Due to major restructuring the Brazilian carrier is no longer a member of Star Alliance since January 2007. (staralliance.com). Alike, Oneworld experienced drawbacks, as Aer Lingus announced that they would quit the alliance in May 2006 (Dudley and Choueke 2006). As one of Oneworld's longest-standing members, Aer Lingus responded to the fierce competition of no-frills airlines, adopted its low-cost model to survive, and therefore, was no longer able to maintain service standards required by Oneworld.

In addition to effects on operational *efficiency*, airline movements in and out of network alliances have an impact on customer evaluations of both airline brands and network brands, which will be subsequently defined. Against this background, the main objective of our study is to increase understanding of the *effectiveness* of brands in a dynamic environment such as airline alliances (Weber 2005). Therefore, the effects on consumer perceptions that occur when an alliance member quits an alliance, in comparison with the impact of a new brand joining an alliance are examined. Thus, the results of this study are relevant to both *airline* brand managers and managers of the *network* brand.

In accordance with this research objective, the paper is organized as follows. First, we briefly discuss the theoretical background to the study. Drawing on the literature, a conceptual model is introduced that links the stimulus of airlines to join/quit the Star Alliance and the impact on the brand images of both airlines and the Star Alliance. After presenting the results of the empirical test, which is based on an experimental study including 415 respondents, the paper concludes with a discussion of key findings and their managerial implications.

## THEORETICAL BACKGROUND AND HYPOTHESES DEVELOPMENT

### The Nature of Brand Alliances

In marketing research, brand alliances have not yet been defined consistently, since there are various different types of brand alliances. Washburn et al. (2004) have identified some of these forms of brand alliance, including joint promotions (Rao, Qu and Rueckert 1999; Blackett and Russell 1999), dual branding (Levin and Levin 2000; Saunders and Guoquon 1997) and co-branding (Levin and Levin 2000; Spethman and Benezra 1994; Shocker 1995, Hillyer and Tikoo 1995). Other types can also be identified: composite branding (Park, Jun and Shocker 1996), affinity partnering (Swaminathan and Reddy 2000), complementary branding (Thompson 1998), symbiotic marketing (Varadarajan and Rajaratnam 1986), co-advertising (Bergen and John 1997), cross promotion (Varadarajan 1986), component branding (Venkatesh and Mahajan 1997) and ingredient branding (Vaidyanathan and Aggarwal 2000; Smit 1999; Norris 1992). In an earlier study,

Washburn et al. (2000) do not differentiate between joint promotion and co-branding, but define joint promotion as a co-branding strategy. It is evident that the concept of brand alliances is used quite broadly. However, it can also be used in a narrower sense, when co-branding and brand alliance, for instance, are defined synonymously (Keller 2003). In the following analysis, we use brand alliances in a broader sense. Following Aaker's (1996) approach, brand alliances can be differentiated into horizontal brand alliances (composite branding) and vertical brand alliances (ingredient branding). Vertical brand allies play different roles in the value chain (e.g. Intel as the supplier and Dell as the manufacturer), whereas horizontal brand allies belong to the same industry or similar product category (e.g. Häagen-Dazs and Baileys). Against this background, airline alliances can be classified as a form of horizontal brand alliances. However, they differ from composite branding, since they involve the creation of a new "master" brand (Blackett and Russell 1999). In our study, we refer to this new "master" brand (i. e. Star Alliance) as the *network brand*.

## Consumer Perceptions of Network Brands

Most recently, several studies have dealt with consumers' evaluation of brand alliances, focusing mostly on positive effects of brand alliances on the members' brand images (Washburn et al. 2004): Rao and Ruekert (1994) found that brand alliances can increase perceived *quality* of a *weak brand* especially in case of a service brand with an unobservable quality. In general, a second brand provides additional information for potential customers (Abratt and Motlana 2002). In this respect, the fact that the stronger brand is perceived to be willing to use its own reputation is accounted for a stronger signal of quality for a weaker brand (Rao et al. 1999, Park et al. 1996, Wernerfelt 1988). Therefore, Rao et al. (1999) propose that weak brands should join alliances of strong brands. In this case, consumers may assume that strong brands will only partner with other strong brands since managers will not risk damaging their own brand's favourable reputation (Levin and Levin 2000). Drawing on Simonin and Ruth (1998), it can be assumed that *each* partner's brand (i.e. also the strong brand) can benefit from spillover effects deriving from consumer attitudes towards the brand alliance. In contrast to these positive effects of brand alliances on individual brands, effects of entry or even exit of brand alliance members on the brand alliance itself seem to be under researched.

However, also negative spillover effects might occur if two brands engage in joint branding (Hillyer and Tikoo 1995; Washburn et al. 2000). In a series of experiments, Janiszewski and van Osselaer (2000) found that the value of one or both brands can be undermined in brand alliances, especially when novel brands join established brands. Pullig et al. (2006) state that even partners of similar product categories can harm each other if they are positioned on dissimilar attributes. But also a high degree of similarity instead does not protect brands from negative spill-overs. Dahlén and Lange (2006) found out that a brand can be affected by a crisis of another brand in the same product category. The effect is stronger the more similar the brand associations of the brand are. As Weber (2005) points out, services failures occurring with a partner of an airline might have a severe effect for the airline itself, especially if it has build up a reputation for a high service level.

## Travelers' Perceptions of Airline Alliances

In the case of airline alliances, network membership promises a number of additional benefits for travelers. Among the most cited ones in the literature are the extended number of connections, improved airport transfer processes and improved frequency of services (Weber 2005). Going along with increased safety standards (as a condition for membership), and the extension of frequent-flyer programs from single airlines to the entire network, it could be assumed that the utility of flying with a network member is likely to be higher than with a single airline. Nevertheless, empirical evidences of consumers' perceptions in the specific case of airline alliances are scarce (Weber 2002). Goh and Uncles (2003) found that travelers basically are aware of most of these benefits, especially concerning improved network access and frequent flyer program advantages. In an intercultural study conducted by Weber (2005), easier transfers between flights, smoother baggage handling and one-stop check-ins were identified as most important advantages for travelers.

Drawing on signaling theory, it can be supposed that a reputable network brand can successfully signal information that a weak brand could not communicate itself (Rao and Rueckert 1994, Gammoh et al. 2006). Empirical findings on the brand-alliance phenomenon (e.g. Gammoh et al. 2006, Rao and Rueckert 1994, Rao et al. 1999, Simonin and Ruth 1998) validate this interrelation. Thus, we propose that the announcement by an airline that it will be joining a well-known, reputable network, should lead to a more positive evaluation of the airline's brand image. However, empirical findings also suggest that established brands can be quite resistant to change (c. f. Keller and Aaker 1992; Lane and Jacobson 1997). In line with these findings, we expect the positive effect of network entry to be stronger for unknown (weak) brands than for known (strong) brands. The brand alliance, thus, will act as an endorsement for the unknown brand (Gammoh et al. 2006).

In contrast, consumers will have negative associations with an airline's decision to exit the network. For two reasons we expect that this negative effect will be stronger in the case of a weak brand leaving the alliance: First, referring to the change-resistancy-hypothesis, an exit should harm weaker brands to a greater extent than strong brands that are connected with more associations in the consumers' minds (Keller and Aaker 1992; Lane and Jacobson 1997). Second, we assume that consumers might give the weak airline the responsibility for the decision. Attribution theory (Heider 1958, Jones and Harris 1967, Ross 1977) provides a reasonable explanation for this: Consumers attempt to understand why an airline exits a network. In attributing a cause to this event, people are subject to a fundamental attribution error: Even if external or situational factors are evident which could provide a good reason for the airline's behavior, people tend to over-emphasize dispositional or personality-based explanations, if they do not favour the specific airline (i.e. weak airline).

Hence, we hypothesize:

*Hypothesis 1a: The announcement of an airline to join the network alliance leads to a more positive evaluation of the airline's brand image compared to the announcement of withdrawal from the alliance.*

*Hypothesis 1b: The effect of entry (exit) on the evaluation of the airline's brand image will be more positive (negative) in the case of a weak airline brand.*

In an empirical study that compares single-brand advertising and joint advertising for both a weak and a strong brand, Dahlén and Lange (2005) found that brand attitude for the weak brand is lower in the joint ad and higher for the strong brand. This relationship is tautological, because one important characteristic of a strong brand, in contrast to a weak brand, is its favorable brand attitude. Therefore, in our model, we include a direct effect of the brand's strength on brand attitude without stating a hypothesis, but propose an interaction effect of brand strength with network entry/exit on the evaluation of the network brand. We use congruity theory (Osgood

**FIGURE 1**
Congruity Effects
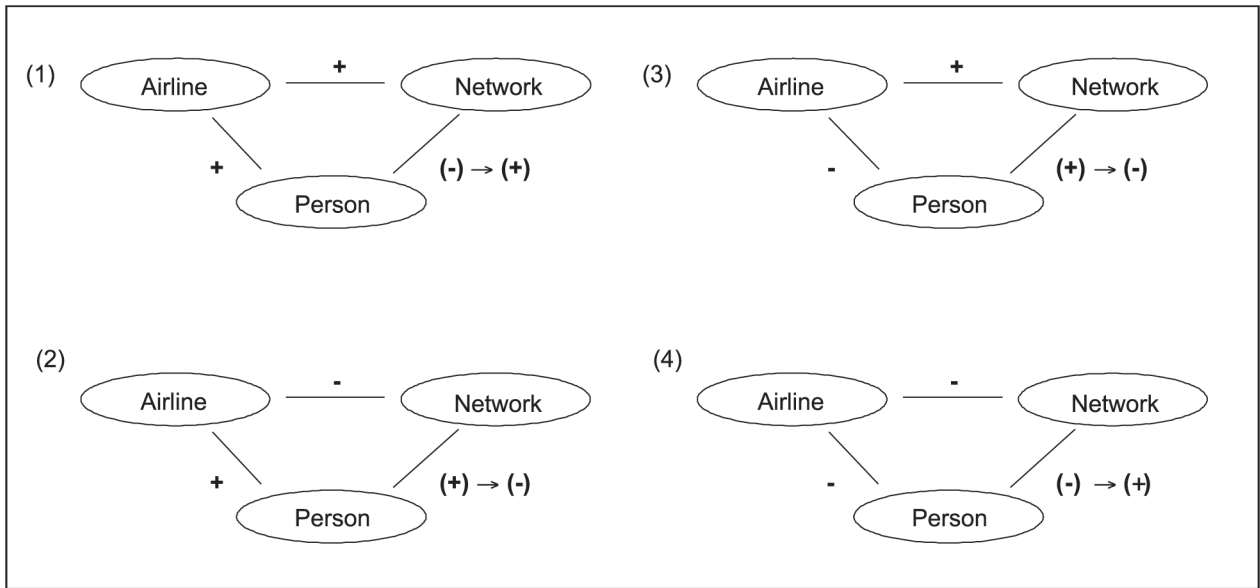


and Tannenbaum 1955) as a theoretical explanation of this interaction effect. According to congruity theory, attitude change occurs in the direction of increased congruity within the subject's cognitive schema (Dean 2002). In the case of our research, we expect that the evaluation of the network's brand image after the announcement of the airline to join (leave) the network, will depend on the strength of the airline brand. We expect a positive (negative) effect on the network's brand image in the case of a strong airline brand deciding to join (leave) the network. The entry of an airline brand can be seen as having a positive relationship with the network brand from the consumer perspective (see Cases 1 and 3 in Figure 1).

In the case of the strong brand, consumers will try to balance their perceptions of the network brand in a favorable direction (Case 1). The striving of individuals for consistency will lead to a poorer evaluation of the network brand when a weak brand joins the network (Case 3). The same rationale is proposed for the cases when an airline decides to leave a network (Cases 2 and 4).

Hence, we propose:

*Hypothesis 2a: In the case of a strong airline brand, the announcement that the airline will join (exit) the network alliance leads to a positive (negative) evaluation of the network's brand image.*
*Hypothesis 2b: In the case of a weak airline brand, the announcement that the airline will join (exit) the network alliance leads to a negative (positive) evaluation of the network's brand image.*

In addition, we include flying frequency and participation in frequent flyer programs as covariates in our analysis to increase the power of the statistical tests. We expect that frequent travelers and participants of frequent flyer programs evaluate the image of the network brand more positively in all cases. Since the network provides utility especially to these groups, their attitude is likely to be more favorable than that of people who fly seldom or are not participants of a frequent flyer program.

Our conceptual model is presented as a whole in Figure 2.

## METHODOLOGY

### Sample and Data Collection

We tested our hypotheses in an online study using a web survey design. In contrast to face-to-face studies, online surveys do not require interviews to be conducted and therefore avoid interviewer effects that might be an issue in this research context (Duffy et al. 2005, p. 617). We developed an experimental fixed-factor 2x2 between-subjects research design. Our stimuli were four different fictitious scenarios which presented randomly to the participants as articles in a well-known and reliable German newspaper:

*Air France/ Aeroflot joins/ exits Star Alliance. As announced by officials in Frankfurt yesterday, Air France/ Aeroflot has become a member/ is no longer a member of Star Alliance. Star Alliance was founded in 1997, and currently has 17 members. Air France/ Aeroflot is an international airline which runs daily flights from 5 German airports to over 100 destinations.*

Two company brands from the airline sector (Air France vs. Aeroflot) and its membership status of Star Alliance (Exit vs. Entry)-as the largest and most prominent airline alliance with a market share of about 25 % (IATA 2005; staralliance.com)-were selected as independent variables. Network brand image and airline brand image were selected as the dependent variables. As stated, the tautological link–brand image as both the independent and the dependent variable–is not part of the study.

The sample was derived from an existing list of registered users of an online research portal which consists of more than 5,000 individuals who have registered their personal information (including email addresses). Invitations for participation in this study were sent out to 2,000 individuals, especially students in order to control the sample's homogeneity. A number of prizes were drawn in a small lottery, to ensure a high response rate. We collected data from 415 German respondents, equaling a response rate of 20.8 %, but had to eliminate questionnaires in which extensive data were missing. Almost 97 percent of all respondents had flown at least

**FIGURE 2**
Conceptual Model
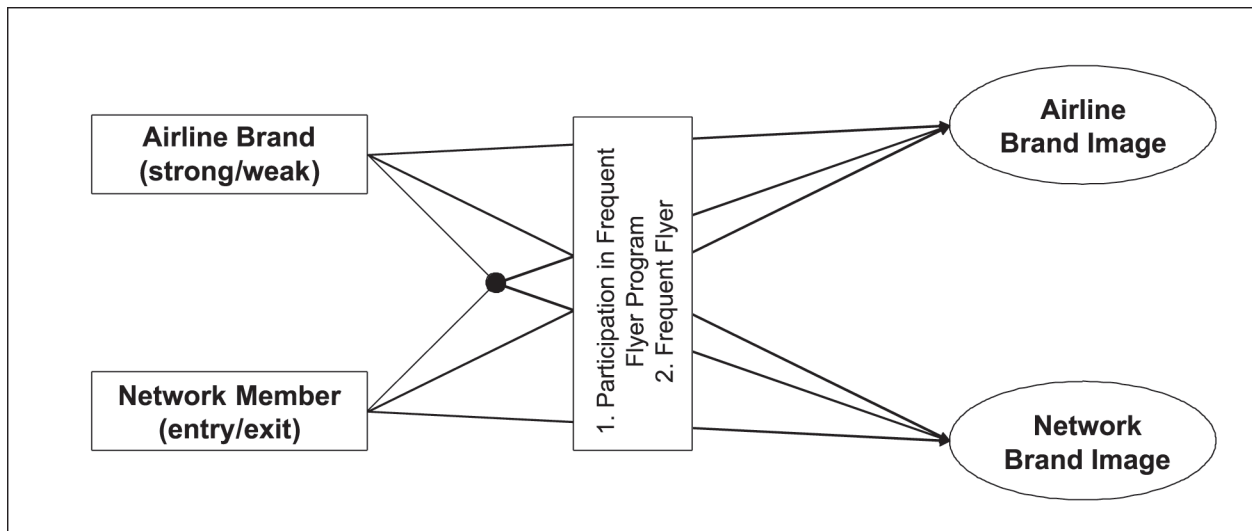


once. The remaining 3 percent were retained for the analysis, since, in general, brand evaluations do not require brand experience. In contrast, brand awareness is an essential condition with respect to consumers' attitudes towards an airline brand. Respondents who did not recognize any or at least one of the examined airlines were excluded from the following analysis. Cell sizes over the four stimuli combinations ranged from 93 to 99. In order to reach an equal cell size for the MANCOVA analysis, some questionnaires were eliminated randomly, finally leading to a cell size of 93 for each stimulus and 372 in total. Most of the Germans respondents were either students (43 percent) or white-collars (42 percent), 5 percent were freelancers, 3 percent unemployed, 0.5 percent were housewives and 4 percent retired people, others accounted for 2.5 percent. The average age was 31.12 years; 58.3 percent were male, 39 percent were female (missing values: 2.7 percent). To check for possible biases due to heterogeneity across the four cells, the distribution of respondents' characteristics (age, participation in frequent flyer program, frequent flyer) was compared, revealing no significant differences in cell structure. A comparison of late and early respondents ruled out the possibility of non-response bias on the basis of response to a number of variables (age, flight experience and frequency, and means of dependent constructs).

### Questionnaire Development and Pretesting

In order to measure respondent perceptions with regard to airline brand image and airline network image, we generated a pool of sample measures based on a literature review. The items were pretested on a sample of 35 German undergraduate management students. These subjects did not participate in the following online survey. The respondents did not indicate any problems with respect to question content, wording, format, or layout.

In order to differentiate between strong and weak brands in an airline context, we conducted a pilot study. The examined airlines had to meet two main criteria: high level of recognition, and no association with a specific airline alliance. Indeed, Air France is a member of SkyTeam Alliance but barely associated in this context by German consumers. Aeroflot has also been a member of the same alliance for a short period of time. However, they joined SkyTeam after the survey was conducted. As the main result, Air

France was evaluated as the strong, Aeroflot as the weak brand. Additionally, we found out that Star Alliance had a favorable network brand image.

**Measurement**

We measured attitude-related variables with multi-item scales. We took 5 items that are regularly used in the literature (e. g. Keller 1993, Mitchell 1986) to measure both the general image of the airline brand and the network brand (brand image: $\alpha=.889$; $\rho c=.895$; VE=.682; network image: $\alpha=.912$; $\rho c=.915$; VE=.731). As covariates, participation in a frequent flyer program and flight frequency is included. All items except the dichotomously coded covariates were measured on 7-point-Likert-type scales, with anchors of 1=strongly disagree and 7=strongly agree.

The measurement reliability of the reflective constructs brand image and network image, was examined through a confirmatory factor analysis following an explorative factor analysis, each with half of the sample (n=208, 207 respectively). It can be noted that composite reliabilities for the three reflective constructs exceed 0.6, the generally recommended threshold (Bagozzi and Yi 1988). Moreover, discriminant validity between the constructs is given, since none of the squared correlation coefficients between any of the constructs exceeds the average variance extracted for a construct (Fornell and Larker 1981).

## RESULTS

A manipulation check verified that subjects evaluated Air France more favorably (MV=4.95; SD=1,37) than Aeroflot (MV=3,09; SD=1.53), indicating a difference significant at below the 1% level. For the entry-exit variation, a manipulation check was not carried out due to its dichotomous nature. The effects of brand and network entry/exit on the dependent constructs were tested by conducting a MANCOVA. Two covariates (participation in a frequent flyer program and flight frequency) are included in the model. We use factor scores as values for the dependent constructs. We checked for the required assumptions discussed in the existing literature (e. g. Tabachnik/Fidell 2001).

Results of the MANCOVA indicate significant main effects and a significant interaction effect. The influence of the covariate

**TABLE 1**
EFA of the Dependent Constructs

| Item | Factor Loading (>.5) | |
|---|---|---|
| | Airline Brand Image | Network Brand Image |
| [Brand] is reliable | .906 | |
| [Brand] is likeable | .913 | |
| [Brand] is a very good brand | .923 | |
| [Brand] is a very attractive brand | .897 | |
| [Network Brand] is reliable | | .918 |
| [Network Brand] is likeable | | .926 |
| [Network Brand] is a very good brand | | .940 |
| [Network Brand] is a very attractive brand | | .906 |

n=208

**TABLE 2**
CFA of the Dependent Constructs

| Item | Factor Loading | Indicator Reliability |
|---|---|---|
| Airline Brand Image (.889; .895; .682)[a] | | |
| [Brand] is reliable | .701 | .491 |
| [Brand] is likeable | .892 | .796 |
| [Brand] is a very good brand | .891 | .794 |
| [Brand] is a very attractive brand | .804 | .646 |
| Network Brand Image (.912; .915; .731) | | |
| [Network Brand] is reliable | .764 | .584 |
| [Network Brand] is likeable | .876 | .767 |
| [Network Brand] is a very good brand | .953 | .908 |
| [Network Brand] is a very attractive brand | .816 | .666 |

n=207; Goodness-of-fit statistics: CFI (0,932); TLI (0,912); RMSEA (0,097); SRMR (0,051).
[a]Cronbach's Alpha, Composite Reliability and Average Variance Extracted.

**TABLE 3**
Results of Mancova

| Effect | Factor | Wilks-Lambda | F-Value | Eta-Square ($\eta^2$) |
|---|---|---|---|---|
| Main Effects | Airline Brand | .725 | 58.087*** | 27.5 % |
| | Network Entry | .984 | 2.436* | 1.6 % |
| Interaction Effect | Airline Brand x Network Entry | .984 | 2.518* | 1.6 % |
| Covariates | Participation in Frequent Flyer Program | .903 | 16.421*** | 9.7 % |
| | Flight frequency | .986 | 2.174 | 1.4 % |

***$p<0.01$; **$p<0.05$; *$p<0.1$; n=372.

"participation in frequent flyer program" is also significant. The effect of the covariate "flight frequency" is not significant and thus will not be analyzed below.

We conducted Follow-Up-ANCOVAS to determine the effect of the stimuli and covariates on each dependent construct. Following Cohen (1988), the strength of the effects is small (only "partici-

## TABLE 4
### Results of Follow-up Ancovas

| Factor | Airline Brand Image (adj. $R^2$=29.1 %) | Network Brand Image (adj. $R^2$=9.4%) |
|---|---|---|
| Airline Brand | 115.203*** (27.2 %) | .215 (0.1 %) |
| Network Entry/Exit | 4.421** (1.4 %) | .670 (0.2 %) |
| Airline Brand x Network Entry/Exit | .181 (0.1 %) | 4.730** (1.5 %) |
| Participation in Frequent Flyer Program | 5.204** (1.7 %) | 26.098*** (7.8 %) |
| Flight frequency | 2.774* (0.9 %) | 1.323 (0.4 %) |

F-Values ($\eta^2$ in Percent) of Follow-Up-ANCOVAs; ***p<0.01; **p<0.05; *p<0.1.

## TABLE 5
### Results of Post-hoc-tests

| Dependent variable | Airline Brand | | | Network Membership | | |
|---|---|---|---|---|---|---|
| | Brown-Forsythe | MV (SD) Strong | Weak | Brown-Forsythe | MV (SD) Entry | Exit |
| Airline Brand Image | 126.221*** | .50 (.81) | -.53 (.90) | 6.863*** | .15 (1.03) | -.13 (.95) |
| Network Brand Image (interaction effect) | | | | | | |
| Strong brand | | | | 2.774* | .11 (.98) | -.14 (.94) |
| Weak brand | | | | .747 | -.07 (1.06) | .08 (1.04) |

***p<0.01; **p<0.05; *p<0.1; MV=Mean Value; SD=Standard Deviation

pation in frequent flyer program" yields the 5.9 % level of a middle-sized effect). As can be seen from Table 4, the main effect of network entry/exit is significant for the airline brand image. The effect is small (Eta-Square of 1.4 %). The image of the network brand (Star Alliance) is influenced by an interaction effect (airline brand * network entry/exit, Eta-Square: 1.5 %). In contrast to our proposition in $H_{1b}$, we did not find a significant interaction effect on the airline image. Therefore, $H_{1b}$ must be rejected. Participation in a frequent flyer program influences both dependent constructs with a small effect on airline brand image (Eta-Square: 1.7 %) and a moderate effect on network brand image (Eta-Square: 7.8 %).

Lastly, we conducted post-hoc tests to determine whether the hypothesized effects work in the proposed direction. As depicted in Table 5, the statistically different factor score means of the airline brand image confirms the choice and classification of the brands as "strong" (Air France) and "weak" (Aeroflot). Network entry/exit has a significant main effect on airline image. The announcement that the airline joins the network alliance leads to a more positive evaluation of the airline's brand image than the announcement of withdrawal from the alliance. This finding confirms our hypothesis $H_{1a}$. Since the image of the network brand is influenced by an interaction effect, network entry/exit must be analyzed in both cases for (1) a strong brand and (2) a weak brand. The image of the network brand benefits (.11) (suffers, -.14)) significantly from the decision of a strong airline brand to join (leave) the network. In the case of a weak brand, an entry into the alliance leads to a poor

evaluation of the network brand (-.07), in contrast to the announcement of withdrawal (.08). However, the differences are not statistically significant. Therefore, $H_{2a}$ can be accepted while $H_{2b}$ must be rejected.

## IMPLICATIONS, LIMITATIONS, AND FUTURE RESEARCH

Networks of independent service companies have increased in importance over the last few years. Given the dynamics of such networks (Weber 2005), the purpose of this study was to gain an insight into the effects of network entry/exit on the perception of service brands and of the network brand in the airline industry. Our results indicate a significant positive (negative) main effect of an announcement of a strong brand's network entry (exit). This finding is important for airline brand management. Since some conflicts among network partners or strategy shifts (e.g. in the case of Aer Lingus) are likely to occur over time, the airline should be aware that the decision to withdraw from an alliance has negative effects on the consumers' perceptions of the airline brand. Communicating the reasons for withdrawal could diminish the image loss, depending, of course, on the nature of these reasons. If consumers understand and accept the reasons for an exit from an alliance (e.g. adoption of a "no-frills" strategy that does not leave room for standards like business class seats, that are required by an alliance), a negative impact (e.g. perceived lack of quality) of the specific airline is less likely.

Moreover, the interaction effect of the entry (exit) decision with a strong airline brand on the image of the network brand indicates that the network brand image is much more fragile when a strong brand announces a membership change. While the entry of a strong brand leads to an improved evaluation of the network brand, the opposite occurs in the case of a weak brand. However, the effects in case of a weak brand are smaller. This means that the network brand image is more resistant if smaller airlines change their network membership status, probably because the network brand is associated with stronger brands in the minds of consumers. Therefore, the network brand management must avoid the loss of strong brands, in order to maintain the reputation of the network. This might be especially critical when the considering brand is the only partner in a certain market (e.g. Varig). In the case of a weak brand, network brand management can demand rigorous terms and conditions, without the risk of harming the network brand in case of withdrawal. This finding is somewhat critical for the brand management of weaker airlines. In the long run, especially participants of frequent flyer programs will expect the airline to be part of an alliance as a qualifying criterion (Dudley and Choueke 2006). This fact will put pressure on smaller airlines that have not decided to join a network yet but also do not want to operate as a "no-frills"-airline. Therefore, building of alliances might be only an intermediate step toward a further consolidation in the airline industry.

Our findings may be relevant as well for other forms of alliances, e.g. participating companies in loyalty card programs (e.g. payback, a loyalty program with more than 18 participating retailers and other companies in Germany). Smaller partners may–in the long run–in fact face the same negative consequences on their brand image when deciding to leave the loyalty program.

Further research should focus on communication strategies for brands in the case of an exit from a network. Attribution theory (Settle and Golden 1974) and congruity theory (Osgood and Tannenbaum 1955) could provide a suitable theoretical basis for experimental studies related to this problem. Additionally, the influence of a change in network membership status on other brands in the network could be analyzed. Especially for strong brands in their domestic markets, there is a potential risk that their superior brand image is transferred (partly) to the network brand and, over the long run, transferred to weaker brands. Because network alliances generally suffer from a lack of control, such strengthened brands constitute a threat if they change to another network. The long-term effects of image transfer from strong partner brands to the network should be analyzed longitudinally. Furthermore, replications with different brands in different service industries and consumer segments are needed to confirm our findings. Finally, brand image as an attitudinal construct, should not be the only dependent variable. Factors that influence the brand image of both companies and networks like alliance orientation (Kandemir, Yaprak and Cavusgil 2006) and outcome variables like market performance should be analyzed in a multi-level setting.

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# The Entropy of Symbolic Consumption: Demand Side Market Failure and the Counterproposals

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## ABSTRACT

Consumers have developed the ability to signify through forced withdrawal and the subsequent convalescence of identity. Nevertheless, consumers still have to manage their own intricate dilemmas in which they have to confront the exogenous and endogenous symbolic conditions, dictating their modes of being in late-modern society. The concept of entropy is employed in order to aid the meditative understanding of consumer cultures witnessed today. Dependent upon consumers' ability to signify and urge for distinctiveness, four different modalities of entropy are conceived, and each mode of entropy tends to further form certain types of consumer cultures, which are prospective counterproposals devised for surmounting the consumers' perception of market failure.

## INTRODUCTION

Consumer culture has evolved such that symbols and images are ubiquitous and easily utilizable, therefore, symbolic (e.g., Baudriallard 1990; Firat and Venkatesh 1995; Holbrook and Hirschman 1982; Holt 1997; Levy 1959; Schouten 1991). Often, the available images and symbols are the fuel for self-representation, expression, and identity-reconstruction (Belk 1988; Kleine, Kleine, and Allen 1995; Schouten 1991). Material goods and fashion items are widely employed resources for constructing self. Nonetheless, this energy for self-identification may be limited or possibly exhausted in current consumer culture. In order to examine this phenomenon of energy depletion in the market, we shall use the concept of entropy introduced by Rifkin (1981, p. 35) as "a measure of the amount of energy no longer capable of conversion into work…. an entropy increase, then, means a decrease in available energy." Using this concept of entropy, this paper explores the different conditions that can lead to the depletion of energy in consumers' efforts in constructing their identities. Market failures have been observed, such as the bubble economy in Japan caused by low interest rates, even when the market is expected to control and overcome any imbalance of and impediment to the mechanics of the market system, as Smith (1991) and Ricardo (1817) contended. Economists have been concerned with micro-economic market failure, where information and opportunity are not evenly distributed so that the market cannot sustain perfect competition leading to equilibrium. This study is particularly interested in a new type of market failure in which consumers have to struggle for their sources of identity–theoretically sufficient in the market–in order to have distinct self-identity constituted through discernable artifacts (e.g., Thompson and Haytko 1997). This demand side market failure encountered by contemporary consumers may not be easily recoverable; thus, it is of interest.

Discourses on self and identity have been widely published in consumer studies (e.g., Schau and Gilly 2003; Tian and Belk 2005). Studies regarding the self and the individual efforts to be idiosyncratic may, however, have failed to fully recognize consumers' uneasiness. Namely the burdens of self-signifying and/or self-valuing involved in consumer identity projects, which have been understudied, could constitute focal themes in the literature (e.g., Arnold and Thompson 2005). The self-concept, or identity, is explained and defined in various ways in the literature. The self-concept commonly denotes the holistic array of rational and emotional abstractions including signs, symbols, possessions, and relationships (Belk 1988; Schouten

1991), whereas definitions of identity tend to be oriented toward distinctions from others (Kleine et al. 1995; Schau and Gilly 2003). That is, self-concept inhabits the more cognitive and holistic realm than does identity, which distinguishes one from others, and therefore, is observable and symbolic. Accordingly, identity projects are geared toward consumption of various symbols and images in order to build discernible personas by signifying the seemingly ever-increasing means of identity construction. Here, signification refers to the cultural imbuement of meaning(s) upon consumer goods and/or experiences available in the market so that they can become constituents of one's identity.

Corresponding to Foucault's (1984) "free floating" identity and Baudrillard's (1981) eye-opening explanation of symbol-dominant consumer culture, consumers began to execute metamorphoses and self-proliferation in order to adjust to rapidly changing present-day life. As consumers take the transformability of identity for granted, they may encounter more and more difficulties in securing resources and creatively and playfully generating novel identities. This is the argument developed in this essay. Adoption of the concept of entropy helps in further diagnosing the potential anguish of consumers.

Entropy, in this context, refers to a state where consumers are frustrated when there is a perceived necessity to continuously reconstruct and modify their identities, but available resources (signs and images) are already utilized by others, insufficient, or mismatched with the selves they wish to present. Entropy may also arise due to consumers' inability to perform significations as they need. By adopting the concept of entropy, the drives of current consumer cultures can be successfully explained with respect to specific factors creating entropy and further theoretically categorized according to the different entropy situations, which is hard to accomplish otherwise.

Consumers who are frustrated and intimidated by the paucity of identity resources and the ever-continuing nature of identity project may start looking for means to lessen their difficulties in securing resources and even substitute novel consumer cultures for their identity projects. Once consumers find their own mechanisms–newly evolved consumer cultures accommodating to different types of entropy consumers encounter–instead of the market where consumers exchange money for signs and symbols for their identity, they may proclaim them as counterproposals for the market, which seems to have lost its ability to suffice consumers' demand for identity resources.

## HISTORY, THEORY, AND CONSEQUENCES

### Dispossession of Identity

As individuals sold their labor and skills for their own living in the modern era, they had to specialize in one occupation that had a value in the market, which, in turn, meant one's labor was commodified (Jennings 1993). Commodified labor pertains to the monetarization, quantification, and depersonalization of one's labor as well as the relative dissolution of intimate interpersonal relationships, as Tonnies' (1957) observed the conversion from *Gemeinschaft* into *Gesellshaft*. Deeper meanings and commitment to cultural interpersonal relationships had to be ignored in order to construct the market system, cultivating discrete monetary exchanges

that made individuals individual. Modernized market system tended to subjugate individuals to the goals of rational conquest of nature and socially organized production, which was the most valued aspect of modern life (Slater and Tonkiss 2001). This production-orientation has ultimately led to a high entropy culture where material resources become scarce due to destructive and ruthless creation of culture, as opposed to nature, through demolition of nature and intact surroundings (Rifkin 1981). At the same time, resources for individual imagination and creativeness for superstructure–a structure based on interpersonal relationships and cultural meanings–development might have been ignored and buried with the debris from material advancement.

It has been argued that as a result of calculation, monetarization, and objectification of the individual for a smooth navigation toward the promised future, individuals were widely disenchanted; they lost meanings, values, trust, and even the freedom to control themselves (Giddens 1991). Individuals, who acted in a mechanized marketplace where cultural, emotional, and psychic resources were largely limited, found it difficult to quench their desire to verify their beings in society. At the same time, their ontological insecurity from the loss of trust, as well as personal meaninglessness in society amplified and intensified the need and/or desire to project an identity (Beck, Giddens, and Lash 1994; Giddens 1991).

### Recuperation of Identity

Modernity fostered the focus on individuals who were freed from their destiny, which had been fixed and imposed in pre-modern times (Baumeister 1986); however, this resulted in paradox because cultural aspect of individuality was not encouraged and even banned for modernization. Diverse and liberal individuality could only be legitimized, inasmuch as it is supported by rationality. Individuality in terms of production-oriented perspective was buoyant; on the contrary, that of cultural side was dejected. Economic drive confined the merit of cultural diversity and uniqueness, but the longing for self-identity was still valued (Giddens 1991).

Once goods started being consumed publicly and conspicuously for the societal classification of individual (Bataille 1991; Veblen 1899), culturally valued goods (i.e., luxuries) started being welcomed and appreciated. Culture resurrected as a *sine qua non* for everyday economic life that had been constituted with only reason and logic. With the re-recognition of diverse cultural and human meanings and values and its aid for signification essential in late modernity, individuals have been enabled to seek self-images that differ from the constant, homogenized, transparent, and ultimately mechanical identity stressed in modern era for the achievement of stable productivity (Firat, Dholakia, and Venkatesh 1995).

Consumers' quest for hunting images and signs is to arbitrarily (culturally) signify goods, spectacles, and even experiences in order to respond to the myriad panoramic social contexts (home, work, street, shopping mall, and so on) with ever newly defined, reformulated, and multiplied identities (Deleuze and Guattari 1987: Firat and Venkatesh 1993). Consumers eventually become slaves of sings and symbols, which are culturally concretized through the materials in the market; a considerable portion of consumption is associated with the consumers' engagement in signification (e.g., Levy 1959).

The nature of the identity project in late-modern epoch is consumptive and possessive (Belk 1988; Featherstone 1995; Kleine et al. 1995; Thomson and Hirschman 1995). Self-concept and social relationships are recouped and revitalized through the consumption or possession of material goods (Wallendorf and Arnould 1988). Things are merely means instead of ends; thus, exchange and use value have been eroded due to the rise of sign value (Baudrillard 1981). Bestowing symbolic meanings upon things in the market is one of the dominant modes to distinguish oneself from another and eventually establish identity (Beck 1992; Belk 1988; Giddens 1991; Kleine et al. 1995). Consumption becomes the prevailing theme in the marketplace because of the possibility that everything, including culture, can be consumed (e.g., Firat 1995) and exploited for individuals' identity projects. Experiences of Thai food and Japanese style Karaoke are the examples of the consumable cultures employed by consumers who endeavor to accomplish their identity projects. In sum, identity is retrieved by repossession of substantive human values and utilization and consumption of them through symbolic encryption in order to construct self-images for constantly changing surroundings.

### Kaleidoscopic Identity

Identity today is neither inflexible nor authentic; rather, it is inconsistent and possibly contradictory to the stable selfhood encouraged in modernity (Firat et al. 1995). With the fluid images ubiquitously available, consumers entitle themselves by reorganizing and even distorting the meanings of commodities (Bouchet 1993; Warde 1994). The identity constructed is always subject to alteration, mending, upgrade, and tuning. Reflexivity of identity is described as the continuous revision of self and the temporariness of each identity to be amended and further disposed to accommodate environmental changes through information and knowledge (Giddens 1991). All of these are possible partially because of the individual capability of transforming and mostly because of the unprecedented range of symbols and images cultivated by cultural surplus, which denotes the variety of cultural manifestations and the following appreciation (Willis 1990).

Clinging to a single identity may be undesirable and practically impossible; frequent transfer from one to another identity is now a viable management of one's identity in the postmodern world (Gergen 1991). "Multiphrenia" may be the only solution to keep relating one to the world. It is hard to pinpoint which identity is the quintessence of self. Indeed, all identities embraced and expressed are neither focal nor peripheral; rather, each identity can bear abundant meanings and practicality when one actually immerses in the identity. Multi-layered or multifaceted identity is actualized by owning multiple possessions (Markus and Nurius 1986) or with the assistance of technology (Schau and Gilly 2003). Fragmenting and populating self with multiple identities are the imperatives for individuals today (Gergen 1991). Living in a world of a multitude of contexts has become inconceivable without practicing identity production and reproduction.

Reflexive identity and the notion of multiphrenia are clearly idiosyncratic from each other, but they also share a substantial commonality. Both demand much energy in order for consumers to revise or create a new or another identity. Accordingly, entropy is present in consumer culture. Current consumer culture, in which material items, texts, images, and spectacles to be transmuted (most importantly) into identities, demands a virtually infinite amount of "raw materials" to blend with (Kozinets 2001), just as modernity had to consume too many material resources, which ultimately leads us to destitution of physical energy, entropy.

## DETERMINANTS OF ENTROPY

### Urge for Distinctiveness

Identity projects are individual efforts to create distinction through cultural signification. Creating a distinction is the only way to define self; constant "othering" needs to be conducted for identity construction (Hetada 1998). It should be noted that legitimization

processes that validate one's being in a society are still necessary (Bauman 1991; Elliott 1998). It is always the case that two aspects of identity–self and the social–dictate the allocation of symbolic resources and the identity to be created (e.g., Grubb and Grathwohl 1967). In their discourse on fashion as an identity project, Thompson and Haytko (1997) have addressed the dual-meaning of identity construction: conformity and counter-conformity, which may be the eternal paradox of postmodernity. Nevertheless, conformity does not always mean absolute compliance with the public; instead, counter-conformity may become conformity when most consumers choose to digress from the standard (Bouchet 1993). Therefore, it is not the nature of conformity but rejection by others that creates consumer apprehension.

In line with the notion of conformity/counter-conformity, the synchronized adaptation to and withdrawal from dominant cultural representations may characterize the present consumer culture (Roosens 1989); however, consumers may choose signification when they build their identities instead of a mere purchase of planned symbols for the affirmation of belongingness to society. Being distinctive is the reason to buy, and differentiating oneself from the other may be the only perceived method to define self (Gabriel and Lang 1995; Thomson and Haytko 1997).

Distinction is to make cultural errands and chores as Bourdieu (1984) contends with his notion of "habitus." Although the meaning of social class has perished because of the standardized material goods and "widely-possessed" brands we own, the need for social class still remains with different lifestyle choices. The material and quantitative differences become less relevant to the present day of life whereas the cultural and qualitative differences have risen to be critical. Again, Bourdieu (1984) underlines the criticalness of symbolic capital–which originally means the possession of prestige that ultimately entails a distinctive identity–essential for making differences. Hence, symbolization and distinction go hand in hand.

The urge to be distinctive is, to a certain extent, hereditary and instinctive. The space between an infant and his/her mother is the first imprinting source of distinction, and the space between individuals may have to be more distanced with regard to culture and symbols (e.g., Giddens 1991). Similarity to others gives much tension to late-modern individuals to think their supposedly sole and authentic identities are menaced; therefore, more efforts are made to be distinctive, often with different possessions (Snyder and Fromkin 1977). Consumers concerned with their identities opt to stop wearing or displaying their possession once too many others have the same items (Thompson and Haytko 1997). The point at which consumers begin thinking about their threatened identities tends to be sooner than before due to technology and media. Therefore, the need for distinctiveness disperses faster and more intensively.

The urge for distinctiveness is the individual endeavor to be a differently (culturally, arbitrarily, and symbolically) defined entity in diverse contexts inhabited by potentially similarly identifiable others. Signification is the preponderant mode amongst the modes adopted for the discerning mission of individuals as Derrida (1977) noted. The only question the contention bears is if all individuals are fully capable of engaging in signification for their own identity projects. In turn, the urge for distinctiveness is not a sufficient condition for the entropy of symbolic consumption (dearth of symbolic resources), but a necessary condition.

### Ability to Signify

Consumers can express and claim themselves so long as their behaviors and activities can be justified with a variety of rationales. There are, however, individuals who still cannot blissfully partake in the process of enriching consumer culture for their own sake due to their lack of experiences, skills, and even the audacity to translate goods, fashion items, texts, images, and spectacles into their own monopolistic signs, representing their identities. The lack of ability to signify can be either inherited or deprived, but the consequence may be the same, refusal from society when the signification is poorly implemented and delivered to others, or a sense of shame from the failure to be identified (O'Donohoe 1994).

The complexity and equivocalness of symbols suppress and discourage the trial and error of a novice as a "signifier" who would have, otherwise, been able to originate new signs (e.g., Deleuze and Guattari 1983). As such, there are certainly individual differences in ability to signify, which enunciatively refer to the self-efficacy to choose to value symbolic and cultural meanings more than practical and instrumental ones and subsequently create idiosyncratic identity through signification with the mundane; it is also counterbalance to capitalist control over individual identities. Along with the urge for distinctiveness, ability to signify contributes to the potential demand-side market failure situation named entropy in symbolic consumption.

### MODALITIES OF ENTROPY

Different levels of urge for distinctiveness and ability to signify create distinguishable entropy states that influence the formulation of a range of consumer cultures accommodating to the conditions perceived by the individual signifiers seeking identities. Complexity and multiplicity in consumers' predispositions and aptitudes yield a relative position of being in diverse consumer cultures rather than a position demanding absoluteness. Each consumer culture–formed by the significations performed by individuals and the succeeding recognition of other individuals– tends to adapt to the cultural and economic environment in which the cultural signifiers reside; thus, the appearances of the cultures formed by distinct conditions of entropy may vary from each other, yet the motivation is the same for all, frustrations of symbolic consumers.

### Equilibrium

This is the condition in which there is the least or no frustration perceived by consumers because they have neither competence in symbolizing nor strong drives to be distinctive. These consumers may have a tendency not to deviate from what others think, express, and wear; consequently, it becomes illogical for them to identify themselves with arbitrary signification that may generate repudiation from others.

Consumers with this condition live in the panopticon where the market enforces consumers to obey what is offered and not to be imaginative for their own identity project (c.f., Foucault 1977). By taming consumers' cultural and artistic capabilities and further regulating emancipatory self-expression, the market was able to homogenize consumers successfully (Kozinets 2002). Marketing messages exposed or purposefully delivered to consumers through various media were the most representative and influential means intended to control consumers' departure from the planned market offers. Consumers started being compelled to desire certain cars, eat certain foods on specific occasions, and go certain places for vacations. The fact that many consumers fall into this category evinces that the market's control over consumers succeeded to the extent to which consumers listen to the market. Deprived consumers in terms of cultural and symbolic supplies have surrendered to the market and have conformed to what the market orders and offers. This is a paradox in modernity by which the market had to offer varieties for individuals, and at the same time, it also had to limit

**FIGURE 1**
Modalities of Entropy

Urge for Distinctiveness

| | Low | High |
|---|---|---|
| High | Negative Entropy | Qualitative Entropy |
| | | Consumer Culture |
| Low | Equilibrium | Quantitative Entropy |

Ability to Signify
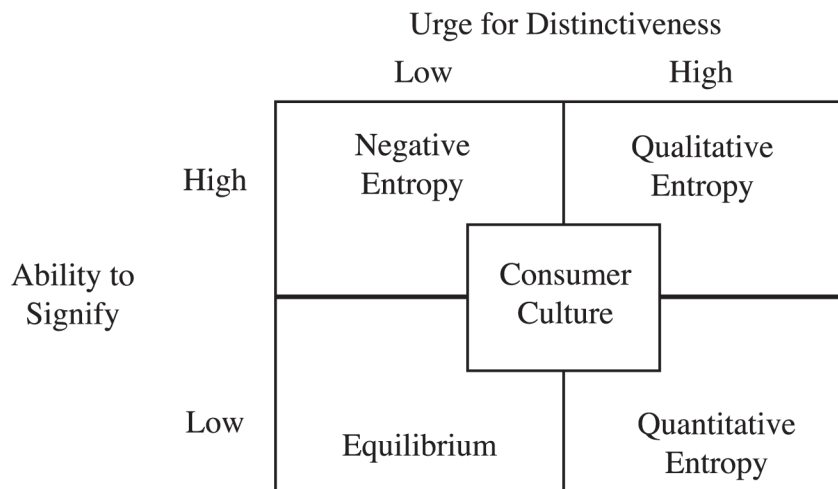
consumers' imagination in order for mass-production of limited number of products, which may not be enough sources for individual identities.

In the equilibrium state of symbolic consumption, the conventional functions and requisites of the market are still in place; thus, consumers are contented because they bear no opposition to the market as a modern institution. The market is still hegemonic and provides the sources, not for signification for identity, but for consumers living in a prosaic and flavorless world in which their identities are controlled by the market system. Perhaps, the consumers who live in this condition may well be able to corroborate the notion of impossibility to escape the market (see Kozinets 2002).

**Negative Entropy (Negentropy)**

When consumers have substantial ability to signify without or considerably less urge for distinctiveness, the energy for symbolic consumption tends to increase, or at least not to decrease because the resources are not used for monopolized identity projects. Many resources remain intact because this type of consumers may not object to being identified in similar ways that others use to identify themselves; instead, their ability to signify continuously generates ideas for others to utilize and signify the ideas for their identities. Consumers with high ability to signify with relatively less urge for distinctiveness enjoy the generation of signs without the apprehension of exploitation. Accordingly, consumers may form communities in which they share their ability to signify with people who might have different talents in terms of signification. They focus on a commonly signifiable code among the cryptographies they have created individually. Consumption of the code together may become the fulfillment of their identity projects.

The contradictory endeavor of consumers to find individual identity in a collective milieu produces a shared, yet considerably meaningful affiliation to each partaker. Brand community, as Muniz and O'Guinn (2001) witnessed, is the playground of consumers who want to create their own identities by interactively and critically conversing with others. The dialogue may be utilized in order to corroborate their authentic existences by the corroborated identity they share, or to upgrade their current identity with the aid of others' ability to signify, producing resources by consuming the same brand in various ways. The synergy from the accumulated individual ability to signify in communities is possibly tremendous, and it would be the rationale for them to share.

Technology facilitates the dialogue to be prompt and widespread, and therefore fruitful. Online communities, including online brand communities, emerge as the perception of cross-shared or "pay-per-view" type of identity spreads among consumers. The disclosure, establishment, modification, and transmutation of one's identity in online communities become a new agenda for current consumers (e.g., Moon 2000; Schau and Gilly 2003). By being commodified and consuming others who have also been commodified in the online communities, consumers produce their identities. This type of consumption has also become a culture where the identity project is neither entirely individual nor necessarily communal.

Another "neo-cyber-community" is observed more often than ever before. The blogosphere is a "metacommunity" in which consumers invest their ability to signify in the community with the pursuit of obtaining an exponential return on the investment, and consequently, they can obtain countless resources for their identity projects in the community. This metacommunity has observable and extensive potential to transform into a prevailing consumer culture that embraces the ideas of brand community and hedonic consumption. The Korean blogosphere has already become "multi-purpose" by being brand communities, knowledge distributors, personal relationship managers, and recreational areas. The seeming reasons to partake in the metacommunity may also be to identify oneself intellectually and/or hedonically with the infinite contact with anything and everything.

**Qualitative Entropy**

Although consumers can demonstrate their ability to signify, it may not be vigorous enough to unload the yoke of constantly distinguishing oneself from others. Put more simply, the urge for distinctiveness (for the consumers with high ability to signify and strong urge for distinctiveness) exceeds the ability to signify. The gap between the two different conditions generating entropy may have become more substantial as late-capitalists' exertion to direct consumers' meaning creation process is intensified. This condition

is called qualitative entropy, in which consumers feel frustration because they cannot produce or secure quality signs or symbols for a better distinction from others.

The capitalists' and modernists' control over the individual was almost actualized–although not for long and not for every individual–through a phenomenal and strongly influential mechanism, advertising. Williamson (1986) recognized the fact that advertising is too hegemonic for consumers to digress from the imposed meanings; simultaneously, it is also improbable for marketers to control all the potential deviations perfectly. Notwithstanding the ongoing friction between consumers and marketers, the loser in this dynamic would be consumers because they have lost their ability to signify while they negotiate with themselves whether they have to kowtow to the meanings provided or not. Living in late-modern society is living in a culture where consumers have to keep switching gears from obeying to diverging or *vice versa*; in other words, it is dual-core interlaced meaning generation methods with which consumers of today have to juggle (Langman 1992; Martin-Barbero 1988).

The marketers' imprint of meaning on consumers and the consumers' perceived quandary between compliance and dissatisfaction with the offer from the market have eventually atrophied consumers' imagination, and hence the ability to signify. Signs had to be created in order to sell the goods to the masses who sold themselves to buy the goods they produced, and advertising is the sign system that handled the task well and generated homogenous answers for everybody. The system allows consumers to be creative, provided the imagination is confined to the market. Consumers had to start taking the fact for granted that they have no choice for identity but the offers, goods, materials, and objects suggested–actually enforced–by the market. In order to be harmonized with the market system, consumers had to submit tamely to the systematic manipulation of their self-expression (Baudrillard 1975), which ultimately depreciates the ability to signify. This "semiological determinism" (Kellner 1989, p. 51) is the very reason consumers have lost their competency.

"The body is less and less an extrinsic 'given', functioning outside the internally referential systems of modernity, but becomes itself reflexively mobilized" (Giddens 1991, p. 7). The last resort for consumers perturbed by the fact that their ability to signify cannot support the quality requirements of urge for distinctiveness may be manipulation of the body. Reflexive modernization expands itself to the divine territory, fixed and inborn body. "The body itself-as mobilized in praxis-becomes more immediately relevant to the identity the individual promotes" (Giddens 1991, p. 218). The body becomes a subject to play with in association with one's reflexive identity. It becomes necessary to shape, upgrade, change, and even distort the body for the sake of identity. Nonetheless, the body needs to be worked upon to the point where others can easily observe, and the owner can claim the one and only identity with the body when it becomes each one's identity symbol. "Flamboyancy complex" is the symptom often observed among consumers in the qualitative entropy. In order for them to be identified, making their bodies salient and vivid is the most persuasive and promising attempt.

The flamboyancy complex of consumers in qualitative entropy state may be the rapprochement of body and mind isolated from each other in modernity (see Firat and Venkatesh 1995 for body/mind dichotomy). The identity project became an arena where body and mind cooperate with each other for originality and/or uniqueness. Tattooing is the most prominent flamboyancy complex among its kind. While it connotes the self-segregation from mainstream society and transgression, it converges upon the identity project in the end (Bengtsson, Ostberg, and Kjeldgaard 2005; Kjeldgaard and

Bengtsson 2005). Although tattooing itself may be overly universal for "identity seekers," it still provides discriminating power. That is, a tattooee's idiosyncrasy will be vividly recognized by other tattooees, and the opposite is also true (Kjeldgaard and Bengtsson 2005). It is counter-conformity through conformity. It is also sacralization of the profane and coincident secularization of the sacred. As mundane images permanently printed on the body, the images become mystified; mind–the sacred–shakes hands with the body, the secular (Bengtsson, Ostberg, and Kjeldgaard 2005). In this paradoxical context, tatooees constantly pursue their social identity in a limited sense and individual identity in an extended sense.

Consumers' reflexive re-construction of the body as identity project is not confined only to tattooing, or decorations on the body; rather, the re-definition is expanded to the distortion of the body, a denial of the "given." The body is consumed reflexively in order to produce a new and distinct identity (Askegaard, Gertsen, and Langer 2002); the market facilitates consumable bodies through which consumption/production dichotomy is again contested. The body is an ever available source to be worked on; thus, the plastic surgery industry prospers.

Cosmetic surgery has been practiced by those who want to manipulate seriously their bodies as venues for self-representation and the ultimate reservoir of identity. These consumers treat the symptoms of identity obsoleteness or overlap with others by creatively or radically implementing fluid bodily images on their bodies. The fluid becomes permanent; however, the permanent is also to be worked on later. The constant reconstruction of body images presages the never-ending mission of these consumers. The reflexivity imposed upon consumers' bodies culminates when the bodily images start overlapping again with those of others. Being flamboyant through bodily images begins meaning the possession of a cultivated and fetishized body upon which consumers can draw whatever and whenever they want to express (c.f., Belk 1988).

## Quantitative Entropy

Consumers with a strong urge for distinctiveness but with low ability to signify face a situation in which they begin to seek ready-made offers in the market with which they can easily work on signification for their identity projects. The eye-catching offers are readily available in the places such as retail spectacles (Kozinets et al. 2004), amusement parks, and other tourist attractions featured with visuals and virtual experiences claimed to be hyper-reality (Firat and Venkatesh 1995).

Consumers of this kind may be more vulnerable to the seduction of the market system as they realize their relatively low ability to signify and thus strive to gain as many sources as possible for their identity. The stimuli–which become consumers' sources for identity projects–that can be observed and experienced in those places more directly and vividly inspire consumers with low ability to signify to engage in pseudo-signification (signification that requires minimal efforts from consumer), which might not be possible otherwise. Thematized and suggestive market offers in those places differ from the offers from other resources in that the offers from the traditional and modern market outlets are discrete from each other and less suggestive. Consequently, consumers with low ability to signify may have to fumble around each offer in order to examine the usability of them and comprehend the indicated meanings of the market items or experiences.

Those luring places may be a blessing for the consumers who live with quantitative entropy due to the fact that the places also provide consumers with so much fun, which entails fantasy and escape from reality where they are apprehensive about their low

competency in signifying (e.g., Kozinets et al. 2004). Consumers who visit such places may be able to obtain distinctiveness without having to substantially signify. This "free-ride" can be accomplished through automatic acquirement of a decoration that separates people with it from the without. An IKEA fanatic may claim him/herself to be distinctive as do people who have been to Universal Studios. Consumers with little better ability to signify may attempt to take a bolder move. Since the experiences in those places need to be spoken in order to become a valid means of differentiating oneself from others, consumers try to visually display their experiences. Souvenir shops are the beneficiaries. Wearing SeaWorld San Diego or Hard Rock Café Paris t-shirts or caps replaces their lack of ability to signify.

Consumers who perceive the quantitative entropy employ the available measures in those places to develop their identities and ultimately make distinctions because they admit their incompetence in signifying. This realization of the consumers, however, does not assist them to propose a valid alternative for the market where they have difficulty to signify the sources available for their identities. Rather, they regress to the market system without full consciousness. The regression to the market could be a result of well-devised retaliation or counterattack of the market to the consumers susceptible to marketing attractions represented by thematization, playfulness, spectacle, and virtual reality. Quantitative entropy leads consumers of this kind to welcome enclaves (i.e., places aforementioned) inside the panopticon (the market) *vis-à-vis* that of Foucault (1977) and declare each of them to be an exodus from the market.

## CONCLUSIONS

Consumer cultures have been acclimatizing to an unconventional and transient milieu in which consumers feel peril from the drought of resources for identity construction and the succeeding management. The concept of entropy adopted in this essay facilitates the understanding and explanation of the nature of new consumer cultures as alternative identity projects. Dependent upon four peculiar types of entropy, consumers have developed their own methods of identity creation and maintenance, which may seem to be "dodging-away" from the market. The market still exists with its established influence on consumers; however, frustrated consumers disobey or play (unnecessarily escape) with the market system in order to reach their own goals as to identity projects. Consumers still live and act upon the market as a penitentiary in which they constantly reform themselves, and they modestly, or sometimes innovatively, suggest and practice their own lifestyles in their own culture.

The new forms of consumer cultures dispersed and emulated today seem to be dependent upon the place through which the new consumer cultures permeate. The forms might have been bound to the metaculture, which encompasses and compartmentalizes all kinds of cultures that have been in the place for long time. The potentially same counterproposals by consumers could be initially embraced in different manners by the metacultures to which each consumer belongs. Nevertheless, a convergence of consumer cultures in remote metacultures upon a specific type of alternative consumer culture is witnessed more often and more widely than ever. It results from the fact that the only culture that globalizes and is being globalized is the different types of consumers' anxiety by entropy and the following management of the anxiety. The dealing mechanisms in different time and space may not be isomorphic at the beginning, but the acclimation to the innate cultural environment will eventually congregate in a new overarching cultural amphitheater. Pursuit of identity bodes entropy, and entropy escorts consumer cultures to enjoyable multiplicity of cultural manifestations. Newly introduced consumer cultures are separable from each other in forms, but the momentum, entropy, is becoming globalized, and therefore, foremost and omnipresent.

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# Who Uses Stereotypes Against Saleswomen?
# Femininity as Self-Schema and Biases in Trust Judgment

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## INTRODUCTION

Consumers receive a wide variety of commercial stimulations everyday in marketplace and have to selectively notice only a subset of information. Markus (1977) suggested that consumers' selective tendency in attention and judgment tasks could be guided by internal cognitive structures, so-called self-schema (Markus 1977). The focus of this paper is gender schema (Bem 1981; Meyers-Levy 1988), particularly femininity self-schema, as cognitive beliefs about oneself as a feminine, caring, expressive, and compassionate person (Bem 1974).

The idea of schemas as a construct for explaining cognitive processes has received wide acceptance from social psychologists. Among many things that define individuals' self-identity, gender is one of the most fundamental elements. Self-perception provides a kind of lens through which one sees the world and others (Markus, Smith, and Moreland 1985), and it is plausible to believe that individuals' strong identification with one specific sex role will have an impact on judgments made about others.

According to Bem (1985), individuals can be schematic or aschematic with respect to gender role. Furthermore, Hudak (1993) found that individuals who use gender as primary self-schema (e.g., feminine schematics) are more reliant on stereotypes and less able to appreciate individuating information, which can result in systematic biases in social judgment tasks. Hepburn (1985) also noted that sex-role stereotypes are the functional equivalent of gender schema.

While the extant social psychology literature sheds light on the link between gendered self-schema and potential biases in social judgment tasks, to date there are few studies in marketing which directly tested how consumers' awareness of own psychological gender, particularly femininity, can moderate trust judgments made about others in exchange relationship. I report two experiments exploring the relationship between femininity as self-schema and the use of sex role stereotypes against saleswomen in the context of computer-simulated online shopping.

## LITERATURE REVIEW

### Femininity

Markus (1977) noted that "self-schemata are cognitive generalizations about the self, derived from past experience, that organize and guide the processing of self-related information contained in the individual's social experiences" (p.64). Drawing on gender schema theory, femininity as self-schemata can be developed throughout socialization process, and contains information about desirable social qualities, frames, and scripts. For example, beliefs about oneself as a warm, caring, expressive, and communal person might be a primary content in an individual's femininity schema (Bem 1974). For example, a person may repeatedly receive negative social feedback whenever she acts out of her gender role. Such consistent feedback is then encoded as future guidance of behavior in her self-schema. If similar reinforcements are received repeatedly overtime, she is likely to develop a strong justification for her "feminine-self." Her general behavioral predispositions will be aligned with the primary self-schema; and her judgment criteria of socially acceptable behaviors for self and others will reflect such a mental focus.

### The Use of Stereotypes against Female Sex role Dissonance

In consumer behavior research, the issue of sex role has been studied by several researchers. For example, Meyers-Levy (1988) found that female consumers favored other-sensitive, communal messages as opposed to self-oriented messages, but this effect was demonstrated only when sex role schema was activated through priming. She also found that female consumers used both self- and other-information when judging product quality whereas males used only self-information. This suggests that individuals who are chronically feminine (with strong femininity self-schema) would want to receive nurturing and caring social feedback themselves, and could become overly stressed by aggressive and insensitive gestures.[1]

Earlier studies of women and social influence found that when women display masculine traits, they can face social rejection and lose trust from peers (Carli 2001; Lee 2007). Kawakami, White, and Langer (2000) pointed out that this gap between job requirement and feminine sex role is a double bind, leaving women unsure of how to behave in social relationship. Because most leadership positions require some masculine maneuvering skills to achieve goals, Kawakami et. al. (2000) maintained that women leaders should learn to free themselves from the bond of self-stereotyping as a feminine person.

Still, women's use of masculine style involves substantial social risks particularly in the initial impression formation stage. Nieva and Gutek's (1980), in their sex role congruence hypothesis, suggested that behavior that is incongruent with one's gender role is evaluated negatively. Earlier studies supported this hypothesis. Bradley (1980) found that masculine female leaders were disliked by peers. Eagly, Makhijani, and Klonsky (1992), in their meta-analysis, concluded that there are negative social consequences for female leaders who are aggressive and masculine.

While the extant literature in social psychology and management clearly shows some evidence for prevailing sex role stereotypes in social relationships, what has not been discovered so far is *who* uses such stereotypes against women. Conventional wisdom would suggest that people who possess a higher social status will find a violation or minority stereotypes to be unacceptable. We think differently. Evidence from the social psychology literature suggests that whereas high-status individuals' in-group bias tend to be automatic and positive (Rudman, Feinberg, and Fairchild 2002), minorities' in-group bias tends to be negative at the non-conscious level, because members of minority groups absorb the society's negative view even when their conscious beliefs contradicts self-inflicting stereotypes that are prevalent in a society (Jost, Burgess, and Mosso 2001).

The System Justification Theory (SJT: Jost and Banaji 1994) also states that minorities are subject to the tendency to devalue own group. Apparently, this theory does not necessarily predict that all

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[1]On the other hand, masculinity concerns with "the achievement of goals external to the interaction process" (Gill et al. 1987 p.379). Because masculinity is focused on manipulation of others to attain self-goals, it involves separating oneself from others. Masculinity directs attention to individuating and diagnostic information to achieve effectiveness rather than becoming sensitive to others' feelings.

members of a minority group will subscribe to self-denigrating stereotypes. Rather, we believe that a minority individual's negative social judgments of in-group members (or similar others) can be facilitated by how much one justifies the unfair status quo system while self-stereotyping oneself as a prototype minority. In other words, individuals who see themselves as a feminine person (with the activation of femininity as the primary self-schema) might readily use the femininity self schema as a guidance of social judgment for others who are similar to self. Therefore, high feminine individuals may likely discriminate a female who is acting out of sex role; and more so because she is closer to their psychological profile.

By incorporating the existing stereotype literature to the marketing exchange relationship context, this paper investigates the question of who uses discriminatory sex-role stereotypes against female sales agents in online sales relationships. Specifically, we examine how consumers' femininity as self-schemata could be related to the use of sex-role stereotypes against saleswomen. Our first prediction is that those individuals who strongly identify themselves as a feminine person will likely to discriminate an aggressive (hence counter-schematic) female sales agent. This hypothesis is examined in Experiment 1 by employing two different levels of sales aggressiveness displayed by male and female sales agents during the sales development process. We predict that high feminine individuals will respond more negatively to an aggressive than to a non-aggressive female sales agent. In a similar vein, we predict that low feminine individuals' trust judgments will not affected by the varying levels sales aggressiveness of the same gendered agent.

We also believe that high feminine consumers' distrustful responses to aggressive female agents could occur rather automatically. For high feminine individuals, the femininity schema is chronically active during social judgment tasks. In order to examine this implicit process of sex role stereotyping, we adopt response latency technique in Experiment 2.

Our research hypotheses are summarized as follows.

Hypothesis 1: Consumer femininity will be positively related to the use of sex-role stereotypes against female sales agents in marketing exchange relationships.

Hypothesis 2: Because high feminine individuals have strong and readily accessible femininity as self-schema, they will require short response time while judging a counter-schematic female agent to be distrustful.

**Measuring Femininity**

We use Bem Sex Role Inventory (BSRI) to identify individuals with strong and weak femininity as self-schema. Femininity is a psychological trait that is separate from masculinity. The *F* scale in BSRI includes 20 items of feminine self-stereotyping, including how strongly one sees oneself as a warm, caring, tender, compassionate, emotional, expressive, and feminine person.

We follow Markus et al.'s (1982) view on femininity as self-schema; and agree that every individual can be relatively schematic with respect to femininity.[2] Because femininity is a universal and psychological profile, those score high on the *F* scale could include both sexes. In other words, we believe that femininity is an archetypical trait of both sexes, and hence does not need to be prototyped under female sex only (Jung 2004).[3] Studies in the social psychology literature also found evidence for the independent

nature between femininity and masculinity. For example, March and Byrne (1991) found that femininity and masculinity were two differentiated, additive sources of individuals' positive self-concept. Likewise, Lobel (1994) found that feminine males made affective judgments that were quite distinctive from masculine males, often behaving similar to feminine females.

**Dependent Variables: Trust as Social Judgment**

Trust is essential for effective sales relationships and organization management (Dunn and Schweitzer 2005). Trust is multidimensional having both affective and cognitive components. First, trust is a belief that one's partner is benevolent (i.e., affective trust), and competent (i.e., cognitive trust) (Ganesan 1994; McAllister 1995). Specifically, benevolence is warm trust (for example, "I trust her because she cares about her customers"), and refers to a salesperson's genuine and friendly interests in the customer's welfare (Friedland 1990). In close interpersonal relationships, trust is often conceptualized in terms of attributions concerning the partner's benevolence (Giffin 1967). Competence is cognitive trust, reflecting a customer's confidence about a salesperson's expertise and specialized knowledge in a given product category.

Not only competence and benevolence are two key pillars of trust judgment in marketing exchange relationships (Ganesan 1994), a recent study by Judd et al. (2005) from the social psychology literature also posited that competence and warmth are the two fundamental dimensions of general social judgment.

## EXPERIMENT 1

*Design and Procedure.* Individuals' femininity was measured two weeks prior to lab experiment. We used the 20 items of *F* scale from the original BSRI (1974) which demonstrated acceptable inter-item reliability (Chronbach alpha>.80). Using median-split, we grouped subjects into two (high and low) feminine groups.

In order to test hypothesis 1, we developed two different levels of sales aggressiveness in the context of computer simulation of digital camera shopping. The experimental design was 2 (sales aggressiveness: aggressive vs. non-aggressive) X 2 (agent gender: male vs. female agents) X 2 (Femininity: high vs. low) between-subject design. Ninety-six subjects were recruited from a population of undergraduate college students from a large State University and were assigned randomly to one of the four treatment conditions.

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[2]Markus et al. postulate that individuals could have separate schemata for masculinity and femininity. Bem (1982), in her rebuttal to Markus et al.'s (1982) self-schema theory, noted that androgynous individuals are not schematic with regard to gender. She further noted that gender schematics include *only* those who are sex-typed (feminine females or masculine males). Bem's typology includes androgyny (those high on both masculinity and femininity) and undifferentiated (those low both dimensions); hence cross sex-typed individuals (feminine males and masculine females) are often ignored. We take Markus's view on this issue. In this paper, we are interested in discovering the moderating effects of femininity (as a universal phenomenon for both sexes) rather than the effects of sex-typing on individuals' trust judgment.

[3]While a recent examination by Oswald (2004) employing both young- and old-generation samples suggested that there are significant positive relationships between sex and gender, because most men were categorized as masculine and most women as feminine, it should be noted that sex and gender could often contradict within same-sex.

Specifically, this experiment required interactive shopping program to enable different levels of sales aggressiveness. Using Macromedia's Authorware, we created a prototype of shopping simulation involving a gendered computer agent. The base protocol of the shopping simulation included several modules including (1) a brief introduction of the agent;[4] (2) provision of information about important features of digital cameras (e.g., resolution, screen size, zoom size, and price); (3) Agent's request for shopper input regarding the importance of each feature when purchasing a digital camera; (4) Agent's presentation of initial four cameras that could match the subject's preferences revealed in module #3;[5] (5) subject's choice of one camera among the four previously shown alternatives, and (6) final choice and wrap up.

In module #5, once subjects chose one camera, the sales agents suddenly interrupted the shopping process by saying "I have just received product information about a new camera that might interest you." Then, in the aggressive condition, the agent presented the new camera with two upgraded features, which was 10% more expensive than the subject's earlier choice. The aggressive agent also strongly recommended the new camera with strong self-confidence by saying "This is the superior choice than your earlier choice. Choose this one." In the non-aggressive condition, the agent's recommended camera had exactly the same product specification except that it was priced 10% lower than the subject's earlier choice of camera. In addition, the non-aggressive agent used a soft and submissive language while making a recommendation, such as "Given your preferences for digital cameras, I thought this new camera might interest you." A manipulation check confirmed that subjects saw a significant difference in aggressiveness between these two conditions ($M_{agg}$=2.98 vs. $M_{non}$=2.58, t=2.06, p<.05).

Agents' competence and benevolence were measured each using multiple items, which were borrowed from previous trust studies in marketing and modified to fit our specific research context. Agent's competence was measured with the following four items on a 5-point Likert scale: (1) When it came to cameras, Agent John (Jane) knew enough to give me a good advice (Smith and Barclay 1997); (2) I trusted Agent John's expertise in cameras (Moorman, Zaltman, and Deshpande 1992); (3) I had confidence in Agent John's expertise (Geller 1999); and (4) I was confident in Agent John's knowledge about cameras.

Benevolence was measured using the following five items: (1) Agent John (or Jane) seemed to care about me (Price and Arnould 1999); (2) Agent John made me feel good (Hawes, Rao, and Baker 1993); (3) Agent John was like a friend during the shopping process (Ganesan 1994); (4) I felt close to Agent John during the shopping (Price and Arnould 1999); and (5) Agent John responded to my needs in a caring way. Both competence and benevolence showed acceptable inter-item reliability (Chronbach's alphas>0.7).

*Results.* In order to test hypothesis 1 which predicted that consumer femininity would be positively related to the use of sex-role stereotypes against female sales agents in sales relationship, we initially conducted ANOVA analysis. Using ANOVA, we found no significant main effects of sales aggressiveness on competence ($F_{1,78}$=0.58, p=0.44). Agent aggressiveness had a marginally significant effect on benevolence ($F_{1,78}$=3.87, p=0.05). Subjects evaluated that the aggressive agent to be benevolent than the non-aggressive one. The effects of agent gender on competence ($F_{1,78}$=1.31, p=0.25) and benevolence ($F_{1,78}$=0.01, p=0.92) were both insignificant.

Importantly, we found a significant three-way interaction between agent gender, sales aggressiveness, and consumer femininity on competence ($F_{1,78}$=7.19, p=0.00) and on benevolence ($F_{1,78}$=4.84, p=0.03). Further contrast tests (see Table 1) showed that low feminine individuals did not evaluate the female sales agent's competence ($M_{agg}$=14.17 vs. $M_{non}$=14.13, t=-0.03, p=0.97) or benevolence ($M_{agg}$=15.33 vs. $M_{non}$=15.80, t=0.33, p=0.74) differently and did not negatively affected by her display of aggressiveness. In other words, low feminine individuals did not penalize a female sales agent who was counter-schematic acting out of her submissive gender role. In contrast, high feminine individuals' evaluations of the aggressive female agent's competence ($M_{agg}$=12.50 vs. $M_{non}$=15.64, t=4.19, p=0.00) and benevolence ($M_{agg}$=13.42 vs. $M_{non}$=17.82, t=2.72, p=0.01) were significantly lower than their evaluations of the non-aggressive female agent (See Figure 1). Therefore, hypothesis 1 was supported.

For the male sales agents, high feminine individuals equally trusted the aggressive and non-aggressive agents in terms of competence (p=0.12, ns) and benevolence (p=0.73, ns). With marginal significance, we found evidence that high feminine individuals appeared to perceive the aggressive male agent to be more competent than the non-aggressive male agent ($M_{agg}$=15.67 vs. $M_{non}$=13.71, t=-1.66). Because high feminine individuals trusted male agents and distrusted female agents when the same level of sales aggressiveness was used, it was an apparent use of sex stereotypes against female sales agents on their part.

**Discussion of Experiment 1**

The results of Experiment 1 clearly supported our first research hypothesis. After conducting Experiment 1, we concluded that consumers' femininity as self-schema could be related to the use of disadvantageous sex-role stereotypes against female sales agents. That is, the more strongly one is aware of his/her feminine-self, the more likely one is to use sex role stereotypes when judging trustworthiness of female sales agents. Given that over two-thirds of high feminine individuals were women, it seems paradoxical that high feminine individuals were using more strict rules when judging similar others than dissimilar others. However, our result is consistent with earlier experimental evidence found in the social psychology literature which suggested that minorities' in-group bias tends to be negative.

What is not clear from the results of the Experiment 1 was whether the use of negative bias against similar others was a result of quick, non-thoughtful processing or elaborate, effortful processing (Wegener, Clark, and Petty 2006). Bem (1982) earlier noted that "the very phenomenon of sex typing derives from the salience of cognitive availability (p.1193). She further noted that gender schematic individuals have "a generalized readiness to encode and organize information …. in terms of … femininity to which they are highly attuned."

If high feminine individuals were to engage in effortful, systematic processing when facing a female agent making aggressing sales offers, they should ignore the contrived gender identity of the computer agent as a spurious cue. But the results of Experiment 1 revealed that high feminine individuals' trust judgment was determined primarily by sex role congruence even when the sex of computer agent was artificially contrived. We believe that high

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[4]In the male sales agent condition, a male face with the name of John was projected on screen. In the female agent condition, a female face introduced her as Jane. Both genders received similar evaluation in terms of attractiveness(t=0.29, p=0.76), likeability(t=0.08, p=0.93), perceived warmth(t=-0.77, p=0.44) or coldness(t=-0.32, p=0.74)

[5]On screen, attribute information and a product picture was shown for each camera. We did not include any brand names, because that might interfere with the effects of experimental factors on subjects' trust judgment.

**TABLE 1**
Femininity and Trust Judgment (Experiment 1)

| Consumer Femininity | Agent Gender | Agent Aggressiveness | Competence Mean | Competence S.D. | Benevolence Mean | Benevolence S.D. |
|---|---|---|---|---|---|---|
| High Feminine Subjects | Male Agent | Non-aggressive | 13.71 | 3.86 | 14.43 | 5.94 |
| | | Aggressive | 15.67 | 1.15 | 15.33 | 5.10 |
| | | t (p) | -1.66 | 0.12 | -0.35 | 0.73 |
| | Female Agent | Non-aggressive | 15.64 | 1.03 | 17.82 | 2.89 |
| | | Aggressive | 12.50 | 2.28 | 13.42 | 4.60 |
| | | t (p) | 4.19 | 0.00* | 2.72 | 0.01* |
| Low Feminine Subjects | Male Agent | Non-aggressive | 14.93 | 2.43 | 16.07 | 3.90 |
| | | Aggressive | 14.50 | 3.07 | 12.63 | 4.63 |
| | | t (p) | 0.37 | 0.71 | 1.89 | 0.07 |
| | Female Agent | Non-aggressive | 14.13 | 2.07 | 15.80 | 2.96 |
| | | Aggressive | 14.17 | 2.23 | 15.33 | 2.73 |
| | | t (p) | -0.03 | 0.97 | 0.33 | 0.74 |

feminine individuals' application of negative stereotypes to a gender-norm dissonant female agent is based on heuristic, schema-based processing which relies on easily retrievable femininity schema. In order to test our second research hypothesis which posited that high feminine individuals' use of sex role stereotypes against counter-schematic females is due to readily accessible femininity schema, we adopt response latency techniques in Experiment 2.

Another issue Experiment 1 was the technical nature of the shopping product. Since digital camera is a relatively technical product category, most expert sales agents in practice are dominantly men. It is possible that respondents may have confounded agent gender with product expertise. We address this issue in Experiment 2 by controlling for the level of agent product expertise for both agent genders.

## EXPERIMENT 2

The purpose of the second experiment is to replicate the first study, and test our second research hypothesis by measuring response latency when consumers are offered a product recommendation by aggressive or non-aggressive female sales agents. Markus, Crane, Bernstein, and Siladi (1982) found that individuals with strong self-schemas about gender, particularly feminine schematics, remembered more feminine than masculine attributes in memory tasks, required shorter processing times for "me" judgments to feminine qualities, and showed higher confidence in their self-judgments. Markus (1977) suggested that strong self-schemata could make individuals resistant to counter-schematic information.

Since high feminine individuals are believed to have well-developed femininity self-schema, they can readily use femininity schema to reject an aggressive saleswoman based on sex role incongruence. Given that schematic processing occurs automatically and quick, we predict that the response latency of high feminine individuals who face an aggressive female sales agent will be, on average, short.

Much of the existing stereotyping research in social psychology has been guided by the distinction between automatic and controlled processes (Devine 1989). In essence, the process in which stereotypes operate is automatic, and one has little control over the initial activation of the prejudice. In contrast, controlled processes are the means to resist or avoid the actual utilization of activated stereotypes. For example, let's think of a person who is well-aware of the cultural stereotypes about a (minority) group but conscientiously does not agree with them. When this person meets a counter-schematic, in group individual she might be able to control the activated stereotypes by elaborating message arguments and counter-arguing self-aware stereotypes. It is important that she has sufficient cognitive ability and motivation to resolve the conflict between self-love and naturally occurring stereotypical thoughts.

What is interesting about women as a minority group is that they do not resist stereotypical evaluations of other women (e.g.,

**FIGURE 1**

Femininity and the Use of Sex Stereotypes (Experiment 1)
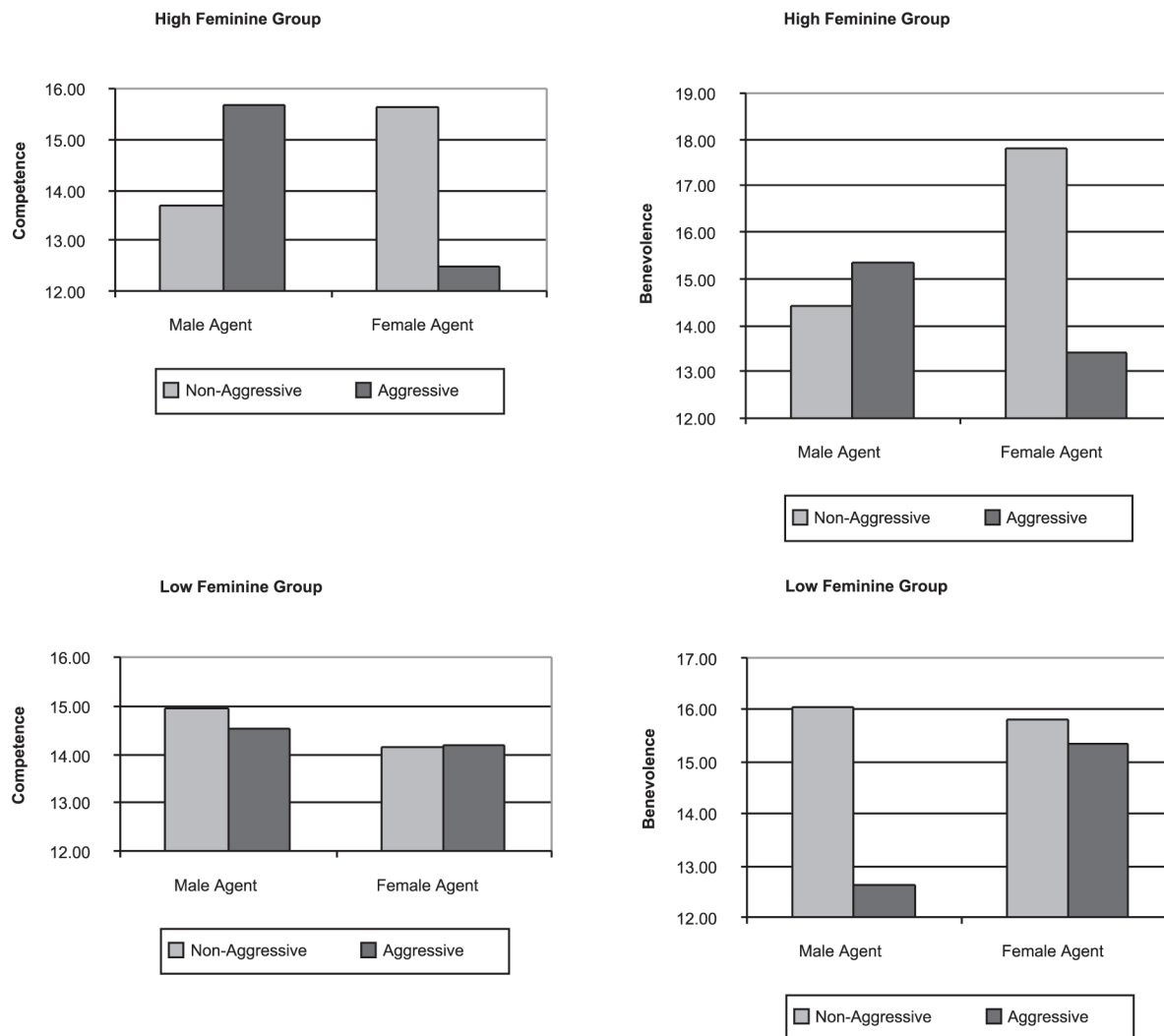


talkative, gullible, unintelligent, emotional) (Jackman 1994) and tend to endorse them.[6] Most women do not "fight" negative in-group bias as blacks do. Therefore, they end up endorsing self-denigrating stereotypes toward other women. Because women's automatic sex stereotypes are not controlled, they can readily apply them to other women who acted in a manner that is aggressive and overly confident.

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[6]In contrast, Blacks intentionally try not to apply stereotypic traits, such as lazy, low social status, to their ethnic identity. Singlair, Hardin, and Lowery (2006, p.535), citing Jackman's(1994) study, said that "the segregation that often isolates modern African American communities enables them to collaboratively develop means of interpreting their disadvantaged status that do not require internalizing negative stereotypes. In contrast, women work, socialize, and live with men. For this reason, they do not have as much physical and mental space to develop such collaborative protective strategies."

The negative valence of subjects' trust judgment coupled with short response latency by high feminine individuals when facing sex role incongruence will demonstrate that this kind of biases in trust judgment used by high feminine individuals is indeed due to strong and readily accessible femininity as self schemata.

*Design and Procedure.* Experiment 2 again employed a 2 (agent gender: male vs. female) X 2 (agent aggressiveness: aggressive vs. non-aggressive) X 2 (femininity high vs. low) between-subject design. Unlike Experiment 1, the shopping protocol began with detailed information of the featured sales agent's experience, establishing the agent as a digital camera expert who had extensive experiences and a successful career in a leading international online shopping site. A total of 102 undergraduate business students participated in Experiment 2 and was assigned to one of the four treatment conditions.

Two weeks prior to the experiment, subjects' femininity was measured using in 20 items in Bem (1974)'s original *F* scale. Subjects were broken down to high and low femininity using

median-split. About two thirds (66%) of female subjects were categorized as high feminine, and 62% of male subjects were categorized as low feminine individuals. The sex-femininity category association was statistically significant ($c^2$=9.06, p=0.00) but not deterministic in nature.

The aggressiveness manipulation was identical with Experiment 1, except the fact that the price difference between the two aggressive conditions was greater at this time (a 30% price increase in the aggressive condition versus a 20% price reduction in the non-aggressive condition). This manipulation was successful. Subjects saw a significant difference in terms of sales aggressiveness between the two conditions ($M_{agg}$=3.33 vs. $M_{non}$=2.81, t=-2.68, p=0.00).[7] Subjects did not perceive the agent's product expertise ($M_{male}$=4.23 vs. $M_{female}$=4.47, t=-0.98, p=0.32) and career experience ($M_{male}$=4.29 vs. $M_{female}$=4.54, t=-1.06, p=0.28) differently by agent gender. In addition, male and female agents were viewed as being equally attractive ($M_{male}$=3.40 vs. $M_{female}$=3.49, t=-0.33, p=0.74).

Using the Authorware software, we could measure response latency time particularly in the module #5 of the shopping protocol. We measured the latency between the time when the agent made a recommendation of a new camera of his or her choice (time 1) and the time the subject actually clicked to make a final choice between the two cameras being considered (time 2). Once the shopping simulation is over, we measured subjects' trust judgment using the same scale as the Experiment 1.

*Results.* We conducted an ANOVA analysis using response latency (time2-time1) as the dependent variable and agent gender, agent aggressiveness, and consumer femininity as predictor variables. The overall model was insignificant ($F_{7,95}$=1.42, p=0.20). The only notable effect was the negative influence of agent aggressiveness on response latency. Individuals on average spent less time when the agent's new product offer was aggressive as opposed to non-aggressive ($M_{agg}$=8.10 vs. $M_{non}$=10.24, t=2.47, p=0.01).

Further contrast tests (see Table 2) revealed that high feminine individuals who were facing an aggressive female agent were primarily driving this time difference. High feminine individuals took 4 more seconds of considering the new product offer when it was made by the non-aggressive female agent (M=10.63 seconds) than when it was made by the aggressive female agent (M=6.25 seconds, t=4.66, p=0.00). However, for the male agent, high feminine individuals spent almost an equal amount of time irrespective of his display of aggressiveness ($M_{agg}$=9.33 sec vs. $M_{non}$=10.81 sec, t=0.69, p=0.49) (Figure 2). Therefore, hypothesis 2 was supported.

Low feminine individuals did not show any significant difference in response latency between the aggressive and the non-aggressive female agents (p=0.24, ns). They took an equal amount of time for aggressive and non-aggressive male agents (p=0.58, ns). The fact that high feminine individuals were quicker making a decision when facing an aggressive female than a non-aggressive female suggests this decision could be schema-based processing facilitated by easily retrievable femininity as self-schema.

Next, we investigated whether the negative valence of trust judgments toward female sex role dissonance by high feminine individuals was again replicated in Experiment 2. As expected, high feminine individuals' use of stereotypes to sex role dissonance was demonstrated in benevolence judgment ($M_{agg}$=12.12 vs. $M_{non}$=16.25, t=2.16, p=0.03), but not in the competence evaluation ($M_{agg}$=13.78 vs. $M_{non}$=16.92, t=2.16, p=0.03) (see Table 2). Since Experiment 2 explicitly manipulated the agent's expertise upfront in the shopping simulation, agent's competence was predetermined by the expertise manipulation. In sum, high feminine individuals

perceived the aggressive female agent to be less caring, less friendly, and distant than the non-aggressive female agent. In contrast, high feminine individuals did not perceive the benevolence of a male agent to differ by his sales aggressiveness (p=0.30).

Additionally, low feminine individuals could possibly be using negative biases in trust judgments made about similar others when they had the aggressive *male* agent as a shopping partner (See Table 2). While low feminine individuals did not discriminate an aggressive female agent, they gave significantly a significantly lower evaluation to the aggressive male agent than the non-aggressive male agent on both competence ($M_{agg}$=12.00 vs. $M_{non}$=15.41, t=2.65, p=0.01) and benevolence ($M_{agg}$=12.11 vs. $M_{non}$=16.23, t=2.24, p=0.03). Low feminine individuals did not respond differently to the high and low levels of female sales aggressiveness (p>0.2).[8]

## DISCUSSIONS AND CONCLUSIONS

While the idea that schemas can explain individual cognitive processes is well accepted in academia, to date, few studies in marketing have demonstrated that consumers' femininity as self-schema can affect perceptions of others. The most interesting finding of this study was the identification of the users of sex role stereotypes. In Experiment 1, we found that high feminine individuals had a tendency to make biased trust judgments when facing female aggressiveness. The second experiment employing response latency technique demonstrated that high feminine individuals' distrustful responses to counter-schematic females could be due to the primacy of femininity in their cognitive system. Sex role stereotypes seemed to occur automatically to high feminine individuals and they were inevitably more reliant on sex role stereotypes in trust judgment tasks. Surprisingly, high feminine individuals did not appear to factor aggressiveness into consideration when judging men's trustworthiness. This suggests that high feminine individuals could be particularly vulnerable to masculine dominance and manipulation by men in sales and negotiation relationships.

One troubling point of the research findings was that most of high feminine individuals (about two-thirds) in our sample were women themselves. Is it really inevitable that high feminine individuals should use self-denigrating sex role stereotypes to similar others? Why can't they suppress automatically activated, self-inflicting stereotypes (Devine 1989)?

Interestingly, we found evidence that low feminine individuals could be applying negative biases to aggressive males but not to aggressive females. Considering that aggressiveness is a typical male characteristic, the driver of low feminine individuals' distrust of aggressive males may not be sex role incongruence. Do people in general require a more strict code of conduct from similar others than from dissimilar others? This will be another interesting research question which warrants research attention. We need more research

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[7]Subject also perceived the aggressive agent to be more pushy ($M_{agg}$=4.11 vs. $M_{non}$=3.17, t=-3.21, p=0.00) and more selfish ($M_{agg}$=4.42 vs. $M_{non}$=3.32, t=-4.68, p=0.00) than the non-aggressive agent.

[8]Given that there was no difference in response latency between the conditions of the aggressive and the non-aggressive male agents ($M_{agg}$=8.31 sec, $M_{non}$=9.15 sec, t=0.55, p=0.58), it is difficult to say that low feminine individuals' distrust of aggressive males is a result of schema-based processing or a well-thought-out decision. But attitudinally, low feminine individuals apparently distrusted a male sales agent who was aggressive.

**TABLE 2**
Response Latency (Experiment 2)

| Consumer Femininity | Agent Gender | Agent Aggressiveness | Reaction Latency Mean | Reaction Latency S.D. | Competence Mean | Competence S.D. | Benevolence Mean | Benevolence S.D. |
|---|---|---|---|---|---|---|---|---|
| High Feminine Subjects | Male Agent | Non-aggressive | 10.81 | 6.82 | 16.00 | 4.24 | 18.62 | 4.45 |
| | | Aggressive | 9.33 | 4.02 | 14.23 | 3.36 | 16.76 | 5.73 |
| | | t (p) | 0.69 | 0.49 | 1.32 | 0.19 | 1.03 | 0.30 |
| | Female Agent | Non-aggressive | 10.63 | 2.69 | 16.92 | 4.95 | 16.25 | 5.00 |
| | | Aggressive | 6.25 | 1.76 | 13.78 | 5.20 | 12.12 | 5.81 |
| | | t (p) | 4.66 | 0.00* | 1.60 | 0.12 | 2.16 | 0.04* |
| Low Feminine Subjects | Male Agent | Non-aggressive | 9.15 | 4.09 | 15.41 | 4.33 | 16.23 | 4.84 |
| | | Aggressive | 8.31 | 4.01 | 12.00 | 3.06 | 12.11 | 5.80 |
| | | t (p) | 0.55 | 0.58 | 2.65 | 0.01* | 2.24 | 0.03* |
| | Female Agent | Non-aggressive | 10.33 | 2.44 | 16.00 | 3.71 | 18.41 | 4.48 |
| | | Aggressive | 8.43 | 4.35 | 14.75 | 3.61 | 15.95 | 6.15 |
| | | t (p) | 1.19 | 0.24 | 0.93 | 0.35 | 1.25 | 0.23 |

**FIGURE 2**
Response Latency (Experiment 2)

### High Feminine Group
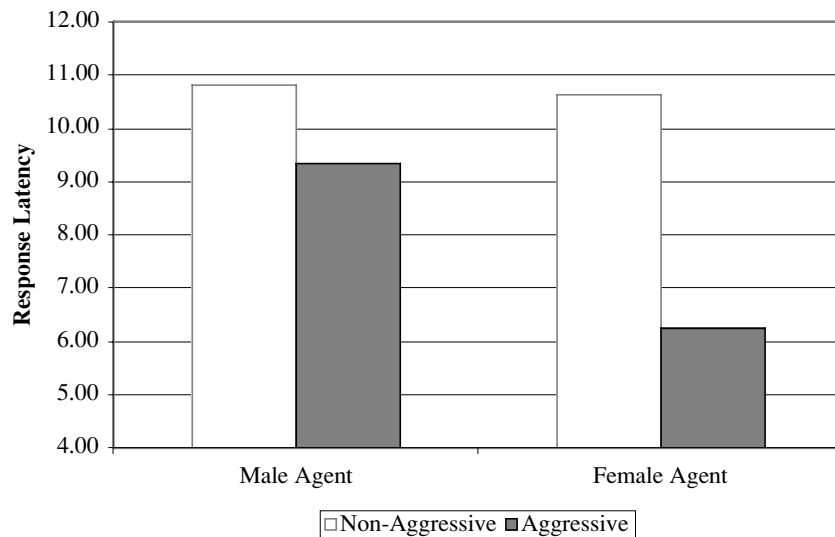
in this direction to better understand the potential implications of judgment bias moderated by perceived self-target similarity in exchange relationships.

Managerially, marketers need to develop different communication strategies when selling to high and low feminine individuals. For example, a masculine female salesperson who challenges traditional female sex role may not be welcomed by high feminine individuals with a strong feminine self-stereotyping tendency. In contrast, individuals with weak femininity schemata can learn to trust a female agent regardless of her compliance with gender norm. However, low feminine individuals could be easily turned off by aggressive sales offers if made by male agents. Therefore, there is an opportunity that marketers could develop customized sales protocols for these two distinct groups.

The limitation of this study is that we had only one product scenario. Digital camera could be considered a male dominant product category where male sales agents supposedly have greater product expertise than female sales agents. In order to address this concern, our second experiment controlled for the level of agents' expertise and still found the evidence of negative biases in trust judgments by high feminine individuals when facing aggressive female expert agents. We believe that high feminine individuals' quick and distrustful judgment of female computer agents based on agents' contrived gender identity is troubling but real. Why do high feminine individuals who are gentle, caring, and compassionate themselves pass more negative, heuristic judgments at the hint of female sex role dissonance? Do high feminine individuals' well-developed schemata actually sensitize the perception of schema-incongruity (Mandler 1982; Lee and Schumann 2004)? Or do people high in femininity have a strong prevention which represses any risk-taking attempts in human relationships (Higgins 2002)? Future research should continue to investigate the deep psychological reasons for human biases in social judgment and further explore the strategic implications of consumers' self-schema in relevant communications contexts.

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# Satisfied Customers' Love toward Retailers: A Cross-Product Exploration

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## ABSTRACT

This study attempts to increase our understanding of the phenomenon of love specifically in the apparel and grocery retailing contexts. By incorporating "customer love," a construct that helps explain variation in satisfied customers' emotional responses to retailers, this study proposes a mechanism by which love is formed and manifested in the sequence of emotional loyalty articulated by Barnes (2005). The empirical results show that customer love is predicted by perceived relationship investment, hedonic store experience, and symbolic store experience. Customer love and symbolic store experience, in turn, are linked to a higher level of competitive insulation, ultimately leading to action loyalty.

## INTRODUCTION

While evidence of the importance of customer satisfaction continues to accumulate in the literature (e.g., Luo and Homburg 2007; Homburg, Koschate, and Hoyer 2005), in reality, U.S. firms, in general, are increasingly having difficulty connecting satisfaction efforts to firm profitability (Arnold et al. 2005). This difficulty can be largely attributed to the fact that, of those customers claiming to be satisfied or very satisfied, between 65 and 85% will defect (Arnold et al. 2005; Keaveney 1995; Oliver 1999). In particular, the defection rate for satisfied customers is extremely high in the retail industry, an industry that is characterized by low switching costs and comparison shopping behavior (Jones and Sasser 1995; Seiders et al. 2005).

"Loyalty" itself is a fertile relationship concept that goes well beyond repeat purchasing (Fournier 1998). Barnes (2005), in distinguishing "emotional" loyalty from "functional" loyalty, argues that "a relationship in its simplest form, and as understood by customers, is based on feelings and emotions" (p. 53). In other words, the fact that customers buy a large percentage of their category purchases for a particular retailer or visit or purchase on a regular basis does not necessarily mean that a relationship exists. Many customers, for example, will buy a large percentage of their groceries from a store that is close to their homes. They shop there every week and may have been doing so for years. However, they may be "loyal" due to such factors as convenience of location, 24-hour access, large parking lot, short lines at the checkouts, and one-stop shopping. All of these factors relate to more functional utility benefits that drive repeat buying. These customers are exhibiting functional loyalty. With functional loyalty, there is a noticeable absence of any sense of attachment to the retailer; there is no emotional connection. If they were to move across town, the customers would likely seek out an equally convenient store for the bulk of their grocery shopping. This form of loyalty is very shallow and vulnerable; there is no relationship from the customer perspective (Barnes 2005).

"Emotionally" loyal customers, on the other hand, are those who have emotional attachment for one particular retailer, resulting in other alternatives being virtually excluded in their consideration sets (Fournier 1988; Kumar and Shah 2004). Such customers shop almost exclusively at one particular retailer, driving past three or more competing retailers to get there. When these customers move to a new location, they seek out a branch of their preferred retailer.

The loyalty of these customers is much more stable and durable (Barnes 2005).

In spite of the existence of emotional loyalty in the marketplace, it is acknowledged that such loyalty is maintained by some, but not all, satisfied customers (Carroll and Ahuvia 2006). Thus, a theoretical and managerial imperative is to identify a new construct that fully captures emotional variation among satisfied customers. A recent advance in this area is represented by the work of Carroll and Ahuvia (2006) who introduced "brand love," a multi-item measure that assesses satisfied consumers' emotional attachment to particular brands. In the context of consumer packaged goods, their findings suggest that brand love is linked to a higher level of conative loyalty. While their study is an interesting positivist investigation to provide a more nuanced view of satisfied customers' feelings about brands, they stress the need for future research to further examine the love construct in other consumption contexts.

In response to this suggestion for future research, this study attempts to increase our understanding of the phenomenon of love specifically in the apparel and grocery retailing contexts. By incorporating "customer love," a construct that helps explain variation in satisfied customers' emotional responses to retailers, this study proposes a mechanism by which love is formed and manifested in the sequence of emotional loyalty articulated by Barnes (2005) (see Figure 1). Efforts of this nature echo and extend contemporary industry thinking that goes beyond satisfaction to "love" (e.g., Bell 2000; Roberts 2004) and recent studies that address the shortcomings of the satisfaction-loyalty paradigm (e.g., Arnold et al. 2005; Jones and Reynolds 2006; Seiders et al. 2005).

## HYPOTHESIZED RELATIONSHIPS

### Customer Love

Customer love is defined as the degree of emotional attachment a satisfied customer has for a particular retailer. Consistent with Carroll and Ahuvia (2006), customer love is conceptualized as a mode of satisfaction (i.e., a response experienced by some, but not all, satisfied customers). A customer who loves a particular retailer is likely to be satisfied with it. This satisfaction provides a basis for customer love. Nevertheless, satisfaction and love are not synonymous. Although two customers are equally satisfied with a retailer's functional performance, they may vary greatly in the extent to which they are emotionally attached to it (Thomson, MacInnis, and Park 2005). While satisfaction can occur immediately following a single store visit, love is a process phenomenon that evolves over time with multiple interactions (Fournier 1998). Finally, customers can be satisfied with any number of retailers that have little centrality or importance to their lives. The retailers that are loved, however, are few in number and are generally regarded as profound and significant (Ahuvia 2005; Thomson et al. 2005).

The customer love construct is operationalized based on passion for the retailer, attachment to the retailer, positive emotions to the retailer, and declarations of love for the retailer (e.g., I love this store!). Since customer love is conceptualized within the boundary of satisfaction, its lower bound is defined simply as the

**FIGURE 1**
Hypothesized Model



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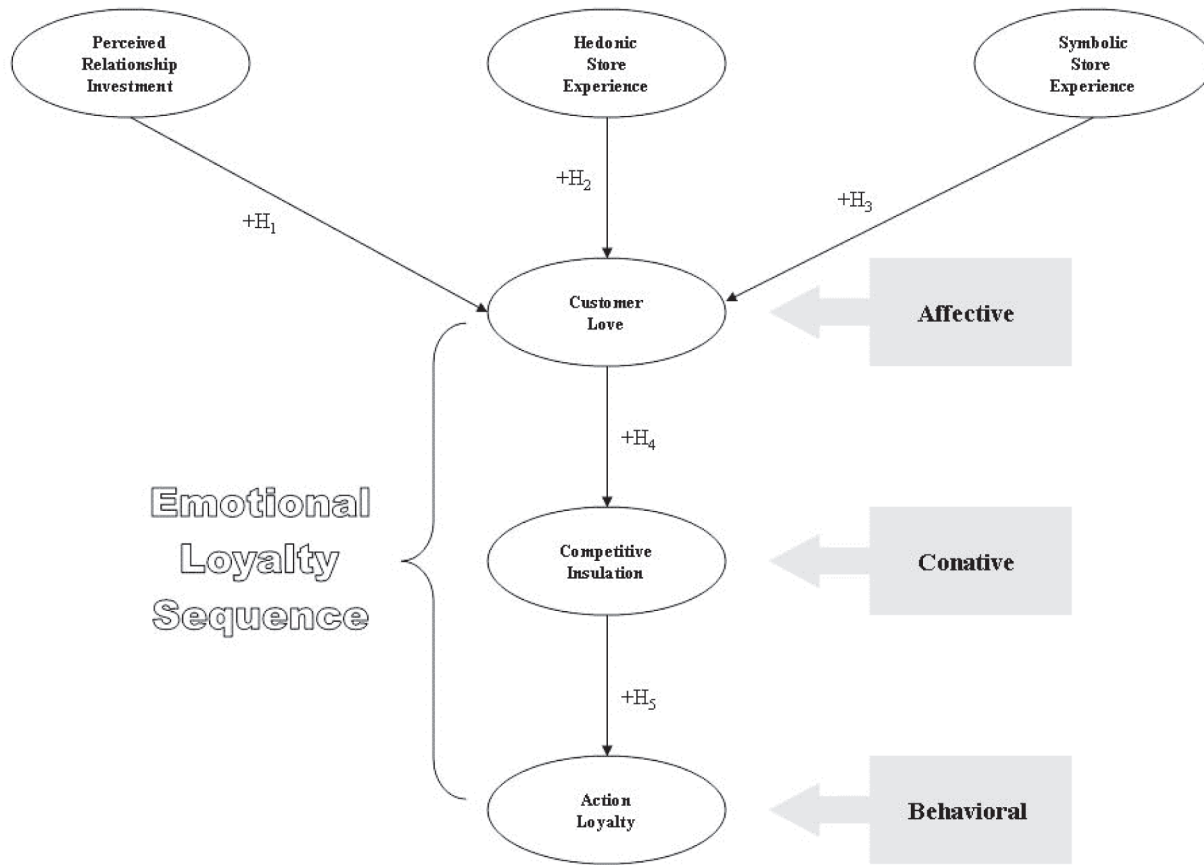
absence of love. Thus, customer love precludes negative feelings for the retailer (e.g., "hate," "grudge") (Carroll and Ahuvia 2006).

**Perceived Relationship Investment**

In this study, perceived relationship investment is defined as a customer's overall perception of the extent to which a retailer actively makes efforts that are intended to retain regular customers (i.e., the retailer's customer retention orientation perceived by the customer) (De Wulf, Odekerken-Schröder, and Iacobucci 2001; Odekerken-Schröder, De Wulf and Schumacher 2003). Love, by its very nature, involves a relationship between two partners and not the two partners separately. For love to truly exist, the partners must reciprocally affect, define, and redefine the relationship (Fournier 1988). A logical extension of this thinking is to view that love is not only something that happens to customers but also something that retailers can make happen through relationship efforts. Research suggests that *consumers* demonstrate loyalty to certain sellers in reciprocation of these sellers' *investments* in the relationship (Bagozzi 1995), feel obligated to pay back the marketer's "friendliness" (Kang and Ridgway 1996), and exhibit enduring affective responses to sellers who make deliberate efforts toward them (Baker, Simpson, and Siguaw 1999). In a customer-retailer relationship context, De Wulf et al. (2001) empirically prove that a higher perceived level of relationship investment leads to a higher

level of relationship quality (i.e., an overall assessment of the strength of a relationship). Although these studies did not investigate the association between relationship investment and customer love directly, they provide an initial basis for the following hypothesis.

H1: Perceived relationship investment has a positive effect on customer love.

**Hedonic Store Experience**

Hedonic store experience is defined as the customer's perception of the relative role of hedonic (as compared with utilitarian) benefits offered by the retailer. Prior research illustrates the experiential and emotional aspects of shopping (Arnold and Reynolds 2003), and that the in-store experience can elicit feelings of fun and excitement (Babin, Darden, and Griffin 1994; Wakefield and Baker 1998). Indeed, the strategies and roles of retailers have been dramatically changed during the past decade, from a pure "utilitarian" focus to a more "hedonic" focus (Jones and Reynolds 2006). One of retailers' primary goals in today's competitive environment is to not only satisfy shoppers' basic utilitarian needs through quality products and fair prices, but also to entertain them (Arnold and Reynolds 2003; Wakefield and Baker 1998). Research suggests that consumption objects and activities rich in hedonic potency tend

to generate emotional attachments (Carroll and Ahuvia 2006). Therefore, the potential of hedonic store experience for eliciting customer love is substantial.

> H2: Hedonic store experience has a positive effect on customer love.

## Symbolic Store Experience

Symbolic store experience is defined as the customer's perception of the degree to which the specific retailer enhances one's social self and/or reflects one's inner self. In this study, the functions of the symbolic meanings of retailers are conceptualized in two directions, outward in constructing the social world (i.e., social-symbolism) and inward toward constructing one's self identity (i.e., self-symbolism) (Elliott 1997). In other words, a retailer exhibiting symbolic meanings can be viewed as having a component that is designed to associate the individual customer with a desired social group/role or his or her own inner-self (Bhat and Reddy 1998). Individual self-expression (McCracken 1986) and identity development (Kleine, Kleine, and Allen 1991) have been identified as key drivers of consumers' emotional attachments to consumption objects. Prior research implies that attachment in consumption contexts tends to be attended by a rich set of schemas and affectively laden memories that link the object to the self (Ahuvia 2005; Thomson et al., 2005). Therefore, it is expected that customers' love should be greater for retailers that play a significant role in shaping their identity (Carroll and Ahuvia 2006).

> H3: Symbolic store experience has a positive effect on customer love.

## Competitive Insulation

Competitive insulation is defined as conative loyalty (Oliver, 1999), or the degree to which a customer is committed to patronize a particular retailer consistently. Fournier (1998) notes the importance of love in consumers' long-term relationships with brands. Using an interpretive paradigm, Fournier (1998) shows that some consumers feel that their brands are "irreplaceable and unique," to the extent that separation anxiety is anticipated upon withdrawal. Consumers in these passionate brand relationships feel that "something is missing" when they have not used their brands for a while. Fournier (1998) concludes that such strong affective ties encourage a biased, positive perception of the brand partner that renders comparisons with alternatives difficult. Extending this observation to customer-retailer relationships, the following hypothesis is formulated.

> H4: Customer love has a positive effect on competitive insulation.

## Action Loyalty

In this study, action loyalty is operationalized based on a customer's purchasing frequency and amount spent at a retailer compared with the amount spent at other retailers from which the customer buys. For any retailer, loyalty becomes more meaningful only when it translates into purchase behavior because it generates direct and tangible returns to the retailer (Kumar and Shah 2004). Moorman, Desphand, and Zaltman (1993) suggest that customers who are committed to a relationship might have a greater propensity to act because of their need to remain consistent with their commitment. Morgan and Hunt (1994) find empirical support for the relationship between a customer's commitment and behavioral outcomes of *relationships*. Derived from these findings, this study investigates the following:

> H5: Competitive insulation has a positive effect on action loyalty.

## METHOD

### Data Collection

The proposed model was tested in the apparel and grocery retailing contexts. Data were collected using a web survey with the help of a marketing research company specializing in consumer surveys. A total of 604 panel members for the research company participated in the study (301 for apparel and 303 for grocery). In the given product category, participants were first asked to recall a specific store with which they were satisfied in an open-ended question format. Then, they completed the questionnaire with reference to the store they had identified. To reduce measurement artifacts, dependent variables were assessed prior to their predictors.

Statistical analyses (i.e., *t*-tests and $\chi^2$ analyses) were first applied to detect any notable discrepancies in demographic characteristics between the two groups. No significant group differences were found in key demographics across different product categories. Overall, respondents' ages ranged from 18 to 95 with 57.8% of the respondents aged between 18 and 45. Slightly more than half of the total respondents were female (52.8%). With respect to ethnicity, 77.3% were Caucasian. The sample represented all income categories with $40,000-$49,999 as the median income. Additionally, 34.1% of the respondents had a four-year college degree and 51.7% were married or lived with a partner.

### Measurement

The measurement items used in the study were selected based on a review of the literature. Measurement items for perceived relationship investment and action loyalty were adapted from De Wulf et al. (2001). Measurement items for hedonic store experience, symbolic store experience, and customer love were adapted from Carroll and Ahuvia (2006).

Even though most measurement items were drawn from literature, in some cases, slight modifications were needed to tailor the items to the research settings. In an effort to enhance face validity of the selected measurement items, a group of expert judges (i.e., three academic researchers and six doctoral students specializing in Consumer Behavior) qualitatively evaluated the items. Items that were judged inadequate or unclear were deleted and modifications or refinement of wording were done based on the judges' comments. The final structure of the measurement items was determined after conducting a pretest with a convenience sample of 110 undergraduate students (see Table 1).

## DATA ANALYSIS AND RESULTS

### Measurement Model Evaluation

The results of confirmatory factor analysis indicated that the measure had acceptable construct validity and reliability. For the apparel sample, the $\chi^2$ of the measurement model was 282.78 with 173 *df*. The overall fit statistics ($\chi^2/df$=1.64, CFI=.97, NNFI=.97, RMSEA=0.046, and SRMR= .037) suggested that the measurement model had a good fit. All the factor loadings to their respected constructs were higher than .74. All composite reliability (all greater than .76) and average variance extracted (AVE all greater than .60) indicate that the measurement items have good reliability. The fit indices for the measurement model for the grocery sample also indicated a good fit ($\chi^2$=277.56 with 173 *df*, $\chi^2/df$=1.60, CFI=.98, NNFI=.97, RMSEA=0.045, and SRMR= .040). All the factor loadings were higher than .54, with composite reliability

## TABLE 1
### Measurement Items

| Construct | Items | Scale |
|---|---|---|
| Perceived Relationship Investment | This store makes efforts to increase regular customers' loyalty. | 5-point "strongly disagree-strongly agree" scale |
| | This store makes various efforts to improve its tie with regular customers. | |
| | This store really cares about keeping regular customers. | |
| Hedonic Store Experience | *This Store*:<br>• Is Functional/Is Pleasurable<br>• Is Useful/Is Fun | 5-point scales |
| Symbolic Store Experience | This store says a lot about the kind of person I am. | 5-point "strongly disagree-strongly agree" scale |
| | This store mirrors the real me. | |
| | This store is an extension of my inner self. | |
| | This store has a positive impact on what others think of me. | |
| | This store improves the way society views me. | |
| | This store adds to a social role I play. | |
| Customer Love | I love this store! | 5-point "strongly disagree-strongly agree" scale |
| | I am passionate about this store. | |
| | I'm very attached to this store. | |
| | This store makes me very happy. | |
| Competitive Insulation | This is the only store that I will buy clothing. | 5-point "strongly disagree-strongly agree" scale |
| | When I go shopping, I don't even notice competing apparel stores. | |
| | I'll 'do without' rather than shop at another store. | |
| Action Loyalty | What percentage of your total expenditures for clothing do you spend in this store? | Open-ended response scale |
| | Of the 10 times you select a store to buy clothes at, how many times do you select this store? | |
| | How often do you buy clothes in this store compared to other stores where you buy clothes? | 5-point "very rarely-very frequently" scale |

**Note:** The items formulated in Table 1 were based on the apparel sample. In the grocery sample, the term "apparel store" was replaced by "grocery store."

greater than .74 and AVE all greater than .49. As evidence of discriminant validity of the scales, none of the confidence intervals of the phi estimates included 1.00 in each sample. Further evidence supporting the discriminant validity is indicated by the fact that the variance extracted estimates exceeded the square of the phi estimates for all constructs in each sample (see Fornell and Larcker 1981). The correlation matrices of the constructs are presented in Table 2.

**Structural Model Evaluation**

As shown in Table 3, all fit indices show that the model has a good fit for both samples: apparel ($\chi^2$=311.99 with 180 *df*, $\chi^2$/*df*=1.73, CFI=.97, NNFI=.96, RMSEA=.049, and SRMR= .056) and grocery ($\chi^2$=246.92 with 180 *df*, $\chi^2$/*df*=1.59, CFI=.98, NNFI=.97, RMSEA=.044, and SRMR= .046). Table 3 indicates

that in each sample, all significant *relationships* between latent constructs are in the hypothesized direction, which provides initial evidence for the conceptual model and supports the nomological validity of the constructs.

In both samples, symbolic store experience was most significant ($\beta$=.61, *t*=10.27 for apparel; $\beta$=.52, *t*=8.63 for grocery) at *p*<0.001, followed by hedonic store experience ($\beta$=.22, *t*=3.75 for apparel; $\beta$=.27, *t*=4.71 for grocery) at *p*<0.001 and perceived relationship investment ($\beta$=.12, *t*=2.46, *p*<0.05 for apparel; $\beta$=.18, *t*=3.51, *p*<0.001 for grocery). Consequently, there was strong and uniform support for H1, H2, and H3. The path from customer love to competitive insulation was significant and positive in both samples ($\beta$=.57, *t*=8.28 for apparel; $\beta$=0.32, *t*=4.75 for grocery) at *p*<0.001. The path from competitive insulation and action loyalty was also significant and positive in both samples ($\beta$=.54, *t*=8.15 for

**TABLE 2**
Correlation Matrices of Constructs

| Construct | 1 | 2 | 3 | 4 | 5 | 6 |
|---|---|---|---|---|---|---|
| 1. Perceived Relationship Investment | **1.00** | .28 | .35 | .40 | .30 | .12 |
| 2. Hedonic Store Experience | .30 | **1.00** | .39 | .52 | .32 | .08 |
| 3. Symbolic Store Experience | .34 | .41 | **1.00** | .67 | .50 | .21 |
| 4. Customer Love | .34 | .46 | .71 | **1.00** | .62 | .19 |
| 5. Competitive Insulation | .25 | .24 | .56 | .53 | **1.00** | .49 |
| 6. Action Loyalty | .30 | .17 | .27 | .32 | .53 | **1.00** |

Notes: Correlations below the diagonal are for the apparel sample; those above the diagonal are for the grocery sample.

**TABLE 3**
Structural Model Evaluation

| Endogenous Constructs | | Apparel | | Grocery | |
|---|---|---|---|---|---|
| | | Estimate | t-value | Estimate | t-value |
| **Customer Love** | | | | | |
| $R^2$ | | .61 | | .57 | |
| H1 | Perceived Relationship Investment | .12 | 2.46* | .18 | 3.51*** |
| H2 | Hedonic Store Experience | .22 | 3.75*** | .27 | 4.71*** |
| H3 | Symbolic Store Experience | .61 | 10.17*** | .52 | 8.63*** |
| **Competitive Insulation** | | | | | |
| $R^2$ | | .30 | | .35 | |
| H4 | Customer Love | .55 | 8.28*** | .59 | 8.18*** |
| **Action Loyalty** | | | | | |
| $R^2$ | | .29 | | .22 | |
| H5 | Competitive Insulation | .54 | 8.19*** | .47 | 6.94*** |
| **Fit Indices** | | | | | |
| $\chi^2$(df) | | 311.99*** (180) | | 286.92*** (180) | |
| $\chi^2$(df) | | 1.73 | | 1.59 | |
| CFI | | 0.97 | | 0.98 | |
| NNFI | | 0.96 | | 0.97 | |
| RMSEA | | 0.049 | | 0.044 | |
| SRMR | | 0.056 | | 0.046 | |

*p<.05, **p<.01, ***p<.001

apparel; $\beta$=0.19, $t$=2.96 for grocery) at $p<0.001$. Consequently, there was strong and uniform support for H4 and H5. These results are especially noteworthy given that the model was tested in a product category representing experience goods (apparel) and one representing search goods (grocery).

**Tests of Mediation**

It is generally recommended that researchers should compare alternative models and not just test the performance of a proposed model (Bagozzi and Yi 1988). Rather than a saturated model where 'everything is related to everything,' four separate parsimonious

## TABLE 4
### Test Results of Mediation

| Model | | Apparel | Grocery |
|---|---|---|---|
| 1. Baseline Model | $\chi^2$ | 311.99*** | 286.92*** |
| | df | 180 | 180 |
| 2. Perceived Relationship Investment → Competitive Insulation | $\chi^2$ | 310.91 | 286.42 |
| | df | 179 | 179 |
| | $\Delta\chi^2$ | 1.08 | .50 |
| 3. Hedonic Store Experience → Competitive Insulation | $\chi^2$ | 311.76 | 286.92 |
| | df | 179 | 179 |
| | $\Delta\chi^2$ | .23 | .00 |
| 4. Symbolic Store Experience → Competitive Insulation | $\chi^2$ | 295.24 | 281.53 |
| | df | 179 | 179 |
| | $\Delta\chi^2$ | 16.75*** | 5.39* |
| 5. Customer Love → Action Loyalty | $\chi^2$ | 311.72 | 284.15 |
| | df | 179 | 179 |
| | $\Delta\chi^2$ | .27 | 2.78 |

*p<.05, ***p<.001

models were constructed as alternative models. Next, on the basis of Bagozzi and Dholakia (2006), the formal tests of mediation implied by the proposed model were conducted. For example, in the proposed model, customer love is expected to influence action loyalty but only through competitive insulation. To test this hypothesis, the proposed model was compared to the model where a direct path from customer love to action loyalty was added. The comparison was done with a $\chi^2$-difference test using the proposed model as a baseline. The last row in Table 4 presents the difference in $\chi^2$-values between the baseline model and this alternative model, with one degree of freedom. This is a test of the significance of the direct path from customer love to action loyalty. As this difference is not significant ($\Delta\chi^2$=.27, p=.61 for apparel; $\Delta\chi^2$=2.78, p=.10 for grocery), it can be concluded that the added path is insignificant, and therefore competitive insulation fully mediates the effect of customer love on action loyalty, as hypothesized.

Rows 2 and 3, respectively, summarize the tests of direct effects from perceived relationship investment and hedonic store experience on competitive insulation. As anticipated, these paths are non-significant in both samples, and hence customer love fully mediates the effects of perceived relationship investment and hedonic store experience on competitive insulation. However, symbolic store experience has a direct effect on competitive insulation in both samples. Thus, given the additional finding of a significant effect of symbolic store experience on competitive insulation, it can be concluded that customer love partially mediates the effect of symbolic store experience on competitive insulation (see Figure 2).

### Invariance Test of Structural Relationships

Based on the test results of mediation, the model was revised as shown in Figure 2. To examine the robustness of the revised model across the two different product categories, structural invariance was tested. Two nested models were constructed and tested: (a) a model which assumes the same configuration for both categories with the values of path coefficients to be freely estimated across the two product categories (Free Model: $\chi^2$=576.78 with 358 df; $\chi^2$/df=1.61; CFI=.97, NNFI=.97; RMSEA=.032 and SRMR= .047); and (b) a model with structural invariance, which assumes the same structural relationships and the same path coefficients between the two categories (Equal Model: $\chi^2$=583.90 with 364 df; $\chi^2$/df=1.60; CFI=.97, NNFI=.97; RMSEA=0.32 and SRMR= .050). The model fit did not deteriorate significantly as the invariance restriction was imposed ($\Delta\chi^2$=7.12, $\Delta df$=6, p=.31). In other words, the model with structural invariance exhibited good fit. This indicated that the structural relationships can be assumed to be the same regardless of product category.

### DISCUSSION AND IMPLICATIONS

This study contributes the existing literature in three different ways. First, this study specifies how retailers can induce customer love by applying three different retail factors. While the phenomenon of love is present in everyday consumer exchanges, little research has examined the psychological manifestations of love and the way it functions in customer-retailer relationships. Second, this study demonstrates why retailers benefit from customer love by assessing its impact on competitive insulation and ultimately on

**FIGURE 2**
Results: Standardized Coefficient Estimates (Apparel/Grocery)
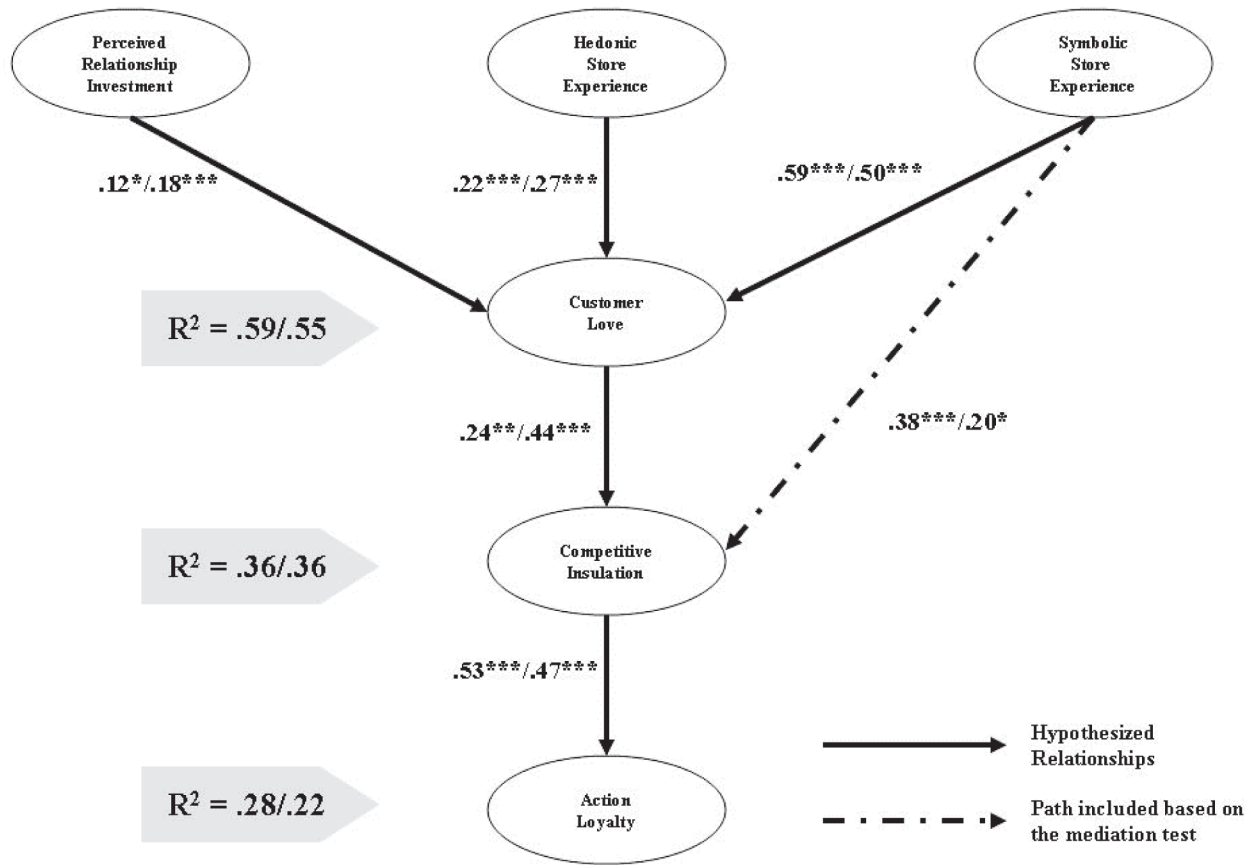


*p<.05, **p<.01, ***p<.001

action loyalty. Finally, by testing the model in two product categories (apparel vs. grocery), this study confirms the robustness of the customer love construct and the sequence of emotional loyalty against product variability.

Hedonic store experience was found to have a positive effect on customer love. This finding suggests that, in order to enhance customer love, retailers need to create a store environment and atmosphere that enables them to experience the various hedonic dimensions while shopping. In addition, advertising and other communication efforts designed to keep satisfied customers should not only focus on the merchandise a store offers but also extol the hedonic aspects of shopping at the store.

Some may argue that, although incorporating a hedonic experience in a product or service offering does provide a competitive advantage, not all retail offerings need to take the "experience route" to survive or prosper in the current retail environment (Poulsson & Kale, 2004). For instance, Poulsson and Kale (2004) wrote:

*"When buying groceries, time and convenience are often of greater essence than an engaging grocery shopping experience. In the course of a consumer's commercial transactions, an occasional experience offering that is well executed is* *indeed appreciated. However, this does not mean that all marketers have to retool and reinvent themselves as experience marketers" (p. 275).*

However, this study confirmed the positive effect of hedonic store experience on customer love in the grocery sample as well as in the apparel sample. In fact, some upscale supermarkets have made significant strides in creating excitement and retailing theater. Successful examples include Dallas-based H.E. Butt's Central Market with its roving "foodie" experts, impressive visual merchandising, and sights and smells of fresh food (Howell 2003).

Increasingly, retailers will be expected to create hedonic store experiences as one of the means to survive in the competitive marketplace (Jones and Reynolds 2006). Current wisdom states that the "hedonic experience" is what shall make today's shoppers leave the Internet shopping cart behind, and waltz into a brick-and-mortar store offering the added value of entertainment (Poulsson and Kale 2004). However, retailers need an understanding of how experiential retailing creates value for themselves and customers. Without this understanding, too much is left to gut feeling or intuition, thereby making the experiential retailing proposition incredibly speculative (Poulsson and Kale 2004). In this regard, this study provides empirical evidence that experiential retailing

strategies could be understood as a source of customer love, a long-term competitive advantage.

Symbolic store experience proved to be a dominant determinant of customer love. This finding is consistent with Carroll and Ahuvia's (2006) observation that satisfied customers tend to love a particular consumption object when the object helps classify or distinguish them in relation to relevant others and when its symbolic meaning is integrated into their own self-identity. Further, symbolic store experience was found to have a direct effect on competitive insulation. It is speculated that retail branding strategies that use heightened self- and social-symbolism appeals and encourage the formation of brand communities may contribute to the development of customer love and competitive insulation.

Some may ask, "Is it necessary to measure perceived relationship investment in addition to hedonic store experience and symbolic store experience as a determinant of customer love?" The answer is yes as this study provides empirical evidence that perceived relationship investment positively influences customer love, even when the effects of all three constructs are considered simultaneously. This not only underscores the practical significance of the perceived relationship investment construct, but also emphasizes the need to adopt a more holistic view of the literature. To date, previous studies have primarily focused on the effect of perceived relationship investment on relationship satisfaction, trust, and commitment (De Wulf et al. 2001; Odekerken-Schroder et al. 2001). It is clear that the role of perceived relationship investment is far more powerful than previously reported since it contributes to the formation of customer love.

Across both samples, customer love was found to be a significant predictor of competitive insulation, ultimately action loyalty. These findings imply that retailers must overcome the "zero defects" mentality (i.e., satisfied customers are loyal when the retailer can avoid problems) and do more to develop unshakable customer loyalty (Arnould et al. 2006). For retailers, "doing more" means the generation of higher levels of emotional bonds than those associated with mere satisfaction evaluations.

This study has certain limitations and consequent opportunities for future research. First, the hypotheses were formulated largely based on the branding literature. Although retail stores are considered similar to brands with respect to the opportunities for consumers to switch, they are characterized by a high degree of personal contact and social interactions. It is still necessary to develop a more detailed understanding of the customer love construct based on retail-specific theory and evidence. Second, while the invariance test found the model to be robust for both apparel and grocery categories, one should be cautious in generalizing the findings to other situations. It would be interesting to apply the proposed model to other contexts such as luxury goods, car dealerships, night clubs, and restaurants. These attempts might reveal findings that corroborate or extend the findings of this study. Third, knowing more about how *customer love* evolves and changes over time would also be beneficial, indicating the need for longitudinal studies focusing on *customer love* development processes. Fourth, the true meaning of action loyalty may have only been partially captured in the present study, given that its measure was based on self-reports, which are subject to respondent distortion and memory loss. This problem could be overcome by relying on a quantitative measure of action loyalty made possible by examining actual purchasing behavior as recorded in the databases maintained by the retailer, an information source that would be more reliable than customer memories. Such an approach would also make it possible to look at longer strings of purchases and, perhaps, to incorporate contextual information (De Wulf et al. 2001). Finally, it must be recognized that the findings obtained in this study, based

on a sample of U.S. consumers, cannot necessarily be generalized to other cultural contexts. While the statement, "I love this store!", is relatively widespread in the American society, its linguistic meaning is quite different from the way the word 'love' is used in many other cultures, where the concept has a more restricted meaning.

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# Customer Emotion Management and Symmetrical Emotional Exchange in (Extended) Service Encounters

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## ABSTRACT

This study discusses the role of emotion display in service consumers' self-presentation as part of their ongoing face-work and introduces the notion of customer emotion management as an integral part of their service interactions and experience. It suggests that in extended and complex service encounters, there is not necessarily an inequality in emotion control between service providers and customers but rather a more balanced and symmetric emotional exchange. The implications for consumer behavior and services marketing research are discussed.

## BACKGROUND

Solomon et al. (1985) argue that in service encounters, customers and service providers play specific roles in order to achieve satisfying relationships. This approach is mainly based on Goffman's symbolic interactionist theoretical perspective (1959, 1961, 1967, 1969) where he identifies two areas for performances. The frontstage is where the actual performance takes place and the back stage is where the individual contemplates and prepares for his or her performance. "Front" encompasses the expressive equipment by which an actor's identity is supported and confirmed. In services marketing context, it is the frontstage where an airline stewardess interacts with a passenger or a McDonald's worker with a customer. Back stages in both cases are the service areas or the kitchens where service providers do not interact with customers and where they are mostly away from their gazes. It is usually assumed that backstages should be separate and hidden from customers. However, Grayson (1998) identifies "perceived backstage" as an area that may be manipulated by managers in order to influence customers "through opening their doors." This argument is also similar to that of MacCannell's (1999) "staged authenticity." He argues that the backstage-frontstage distinction is used by companies to generate mystification of the former since backstages suggest, "…there is something more than meets the eye" (p.93).

Following Goffman's work, Hochschild (1983) focuses on "how institutions-such as corporations-control us [service employees] not through surveillance of our behavior but through surveillance of our feelings." (p.218). Drawing upon Marx and combining labor, emotion, and display discourses, she argues that service workers become alienated from their jobs in a service-producing society, i.e., they have a reduced self-control over what Hochschild (1983) calls, "emotional labor". She uses the term to mean "…the management of feeling to create a publicly observable facial and bodily display; emotional labor is sold for a wage and therefore has exchange value" (p.7). She studied flight attendants and bill collectors as two extreme examples of service workers in order to illustrate commercial uses of feeling. The project of the flight attendant is to enhance the customer's status, to heighten his or her importance; and that of a bill collector is to withhold empathy.

According to the author, jobs of this type have three common characteristics: 1) they have face to face, voice to voice contact; 2) they produce an emotional state in another person (gratitude or fear); and 3) they allow the employer, through training and supervision to exercise a degree of control over the emotional activities of employees. Control is achieved by peers and by clients. Close supervision fosters emotional labor and control over service jobs by

the management, which in turn reduces the self-control over the service employee's emotional labor. She argues that this estrangement from one's own feelings has personal costs; consequences to the notions of self, since emotion is a way of knowing, like seeing or hearing (see Denzin 1984). Employees go through specific training about emotion management to learn about what Hocschild calls "feeling rules" during interactions with customers. Similarly, in his study of Disneyland culture, Van Maanen (1991) calls the park a "smile factory" with its rules for backstage, onstage, and staging regions (Goffman 1959).

Although the importance and consequences of service employee's attitudes and behaviors have received great attention, the nature and the effects of customer's attitudes and behaviors have been understudied (Risch-Rodie and Kleine 2000) with only few exceptions. Menon and Dubé (1999) suggest a repertoire of customer emotion information to be used in service design and employee training. According to this study, in such encounters, positive emotions include happiness and delight; while situation-attributed negative emotions include anxiety and fear and other-attributed negative emotions include anger, frustration, guilt, and shame. Ligas and Coulter (2001) identify customer's roles in interactions with service providers after having negative experiences (see also Price, Arnould, and Sheila 1995). They find that the "contended customer" presents a happy face indicating his or her satisfaction while he or she may be hiding some level of dissatisfaction; the "helpful customer" presents a friendly face and indicates his or her willingness to solve the issue with a service provider; the "discontented customer" expresses his or her dissatisfaction; and finally the "disgusted customer" also communicates his or her dissatisfaction, but with anger. Although these studies acknowledge customers' emotions (see also Richins 1997 for measuring consumer emotions in consumption experiences), they only label limited emotional categories as input to be used in service design and management. Thus, the purpose of this study is to understand customers' full emotional involvement in the service encounter and reveal the emotional nature of their ongoing self-presentation.

Customers' roles and interactions with service providers have been studied also through the framework of co-production or co-creation of the consumption experience, meanings, and value (Vargo and Lucsh 2004, Arnould 2007, Penaloza and Venkatesh 2006). Research done on the active role of consumers identified several categories of consumer participation such as corporeal, oral, and symbolic co-production. Customers co-create the E-zone experience with the marketers in a retail environment through their corporeal presence and participation (Kozinets et al. 2004). River rafting participants co-create the magical rafting experience through forming a narrative with service providers (e.g., Arnould and Price 1993). In many other contexts consumers co-create the meanings and value of the products and services that they use (see Arnould and Thompson 2005 for a summary of related studies). This study adds consumer emotional control to the realm of co-creation of experience and meaning. This involves all these of the different and overlapping types of consumer participation (corporeal, oral, and symbolic) and adds the active emotional participation which shapes consumers' interactions with service providers and other fellow customers.

## THE SERVICE CONTEXT OF THE STUDY: COMMERCIAL HIGH-ALTITUDE MOUNTAINEERING EXPEDITIONS

Service encounters are dynamic, and involve complex interactions among its participants (customers and service providers) and the service setting with experiential and emotional components. This study is based on an ethnographic research at the main (South) base camp of Mount Everest in Nepal (altitude of 17,700ft/5300m) and the service context studied is high-altitude mountaineering expeditions in the Himalayas. High-altitude mountains refer to mountains with an altitude of 5,500-6,000 meters or greater where significant lack of oxygen and unpredictable weather conditions prevail. This rather extreme context has the potential to reveal insights about customer and service provider performance since these expeditions are quite demanding activities with high-tech and expensive equipment now regarded as essential, along with lengthy pre-trip plans, including physical and mental exercise, manpower recruitment, and logistical support. As a famous high-altitude mountaineer put it in an interview for this research, it is "an environment for which the human body is not well designed… It just doesn't function at that altitude… demands on the body are much higher…" (2003). The services of interest are provided in expeditions organized by adventure companies for a duration of three to nine or more weeks, with costs per person averaging between US$5,000 to US$65,000 depending on the altitude, region, and services included. Personal equipment expenses require an additional outlay of $7,000-$10,000. The adventure companies offer a variety of mountaineering services which include obtaining necessary permits, visas, guides, local accommodations, flights, local transportation, and transfer of all the necessary equipment including oxygen cylinders to the base camp and to the intermediary camps, as well as various kinds of guide and Sherpa services on the mountain throughout the duration of an expedition. Adams (1996) refers to high-altitude mountaineering expeditions as the "high-risk, high-profit, image-making, and body breaking business of mountaineering" (p.8).

### METHODS

The ethnographic data collection at Everest base camp was carried out over a 2-month period. Reaching the site typically involves a 10-day long on mountain trails and that time is needed for acclimatization. People at the base camp live in tents on a moving glacier covered with piles of rock and ice, and spend weeks in these demanding conditions acclimatizing to the thin air of high altitudes. I stayed with three different expeditions out of about seventeen different companies (about 250 people in total) that were present at the Everest base camp during the spring 2004 climbing season. During my stay at the base camp, I observed the daily life and the evolution of interactions among service providers and clients. I conducted in-depth interviews following McCracken's model of the long interview (1988), and following up with some after they left the mountain. I analyzed the interview transcripts and field notes as a whole using a hermeneutic (Thompson, Locander, and Pollio 1994) and iterative approach (Glaser and Strauss 1967; Arnould and Wallendorf 1994; Arnold and Fischer 1994; Spiggle 1994). I tried to achieve a thick description (Geertz 1973) of this high-risk service encounter by including detailed, locally informed, and context sensitive information which correspond to a multi-layered and cultural ethnographic interpretation. In this paper, I only include the sections of my data and analysis that are relevant to the topic and purpose of this study.

## CUSTOMER PERFORMANCE AND EMOTION MANAGEMENT

Climbing high-altitude mountains by paying extensive amounts of money is a very unique activity. Despite the thousands of dollars involved, participants in such experiences, both customers and service providers, have to be in excellent physical shape and ready to deal with the difficulties of living and climbing at high altitudes requiring strenuous physical and mental efforts. The challenge of high-altitude mountaineering originates not only from the characteristics of the climbing activity itself, but also from the conditions of living with relatively poor food, toilet, and shower facilities in a severe climate. Living in tents over a 2-month period in an attempt to acclimatize, meanwhile staying focused and healthy, and still able to climb, is a very demanding and stressful activity even for experienced mountaineers. High altitude mountaineering expeditions takes time since the body has to adapt to thin air and cold. It is hard to put on a staged performance due to braving the cold weather, feeling constantly tired, and being chronically sleepless. Problems arise even during the trekking part before reaching the base camp. It is an all-consuming activity as opposed to an extraordinary experience which does not require superior levels of effort (Arnould and Price 1993, p.25). As a guide and a client describe it:

Raymond (guide): The mental part of it points you in the right direction; without having, without thinking about it and focusing on the goal, you will never get there.... Then there is the physical part of it.... And again you control that, mentally.... You get so tired that just lifting your leg and putting in the next step rather than you are going up or down.... We'll go up for a while because that is a totally different attitude than going down.... It is very difficult.... You take a step and you breathe really deeply about 3 times and it hurts. It really hurts.... And you keep going, because you have been there before and this, again if it was easy everybody would do it and then going down is probably 99 percent mental.... You are so tired, and you are focusing on putting your foot down just like this and then you're putting your next foot down just like this and then you're putting the next foot down just like this so it is like your whole world is one step at a time.... Please don't make a mistake, and then it is all over….

Vera (client): I think being at altitude is emotional … it's easier to be argumentative it's also easier to cry … it's like welcome to altitude… it happens it's easy to get… cause you're always under stress and you don't realize it, just breathing for oxygen is stressing all the time.

The frontstage and backstage areas in service contexts like airlines, banks, restaurants, and hospitals are quite different from service encounter contexts in commercial high-risk sports such as high-altitude mountaineering. Backstages away from customers' gaze (e.g., in a restaurant context, the kitchen) as opposed frontstages are the areas for service providers to be able to reflect and be emotional. In the case of high-altitude mountaineering expeditions, however, personal spaces or backstages are limited in the physical sense, as Drake and Philip's comments illustrate:

Drake (guide): I don't think it's very easy [to find a personal space] but I think it's important; some of the little things we do help a lot, like everybody has their private tent just to be able to put a wall between you and somebody else for a few hours a day is huge I think.
Interviewer: It's a tent.

Drake: Yeah, it's a piece of fabric between you and somebody who's 6 inches away.

Philip (guide): you have to make the time [for yourself], because if you're… if you're working on the mountain you're really engaged, really, you're on 24 hours a day, but whether you're actually having to deal with people on an hourly basis, and there's also you have a lot of support with your other guides and with the Sherpa on the mountain that help you as well…

As these passages suggest, climbers engage in creating symbolic personal spaces or backstages. Listening to music, reading books, writing e-mails, and even talking to a loved one on a satellite phone, are some of the efforts Corry and Sam make:

Corry (client): … Base camp is probably the only place where most people have their own place because they don't share [tents] at base camps. The other thing that I have is always take my mini player up the hill and at least I've got some of my own space with music…

Sam (client): … If you're here you need to put all your attention into climbing the mountain and if you're homesick you can't do that… but I do need the support of my family to know that things at home are going to be ok … it's not just like slipping back into the way things were you've got to work on it for awhile. I send emails every couple of days and I find emails quite good…

Hochschild (1983) argues that there is an inherent inequality in emotional management in service jobs. She says, "the airline passenger may choose not to smile" (p.19) while the steward or stewardess has to do so. In the public world he or she has to accept uneven exchanges and can get "treated with disrespect or anger by a client" (p.85). In the case of the high-risk service encounters explored here, however, such exchanges are expected to happen equally between service providers and clients. As one of the guides says:

Greg (guide): … We all suffer from the effects of altitude, and I think one of the things is that is really important, is um, being open and honest to people, and uh, as far as service is concerned you know we make an effort for people to understand that we are guides and [being] guides means showing people the way. That's what the definition of guiding is, *we're not servants* [emphasis added].

At 5,500 meters and above, it seems likely that activities are not only about pleasing the client, but are even more about staying alive while suffering from effects of high altitude both mentally and physically.

Applicants for most service positions go through initial screening. In the case of Hocschild's flight attendants, the criteria may include weight, figure, straight teeth, capacity to work with a team, and capacity for being a good actor (1983). In a high-risk context where that outcome can be as significant as life versus death, it becomes a moral activity or rather a *moral obligation to perform* not only for the service providers but also for the customers. One ill-prepared or ill-suited client can jeopardize an entire group. This requires that customers for some adventure services may also go through some screening procedures. Adventure companies claim that they screen the customers based on their experiences, adapt-ability, and cooperativeness. This point is illustrated in Alex's critique of some clients:

Alex (guide): Basically if people show up and they have the skills then there's no problem—everybody seems to get along fairly well because of the core set of skills; if people show up and they don't have the technical skills, people become resentful… Some people can't put on their crampons and that's annoying because they require more attention from the guide and you should basically show up and know how to do certain things—you should be able to put on your harness put on your down suit, put on your crampons. It's annoying; it is, because it puts the group at risk.

Alex's complaint illustrates how important it becomes to perform. And performance in such risky conditions is not limited to physical effort. Emotional performance is the crucial part of the activity for the participants including both service providers and customers. Consider the following observation:

Corry (client): … One of the things that leaders [guides, service providers] have to be is upbeat and positive although when [our guide] was sick he was a bit down about that but, and you can allow room for that, but basically you need a leader that is actually very positive most of the time; maybe not all the time but close to all the time because it's bad enough if you've got a member that's actually in a really negative space because *they can suck everybody else into that negative space*. We had two guys [clients] go home and every time that happens everybody else [other clients] is thinking 'oh home,' *it changes your focus* from getting to the summit to going home because these guys are *escaping* they're going to go down and have good food and be warm and breathe easy and they're going to go home to their families; but it's hard enough when a member goes home or is negative and if a leader is low that would just destroy the trip [emphasis added].

Corry, like other customers in a service encounter, expresses his expectation for face work from the service provider. But when his fellow clients fail in their own face work, a problem arises for him. The customers' lack of emotion work creates as much of a distraction for him as if the service provider had failed him. Thus it can be argued that, emotion control by customers may help the other participants to remain psychologically engaged in the co-production of the service. In another instance, Vera's comments on how her physical struggle led to emotions which she was able to restrain with the help of the service provider and thus helped her go through a difficult situation:

Vera (client): …I've been caught in a very very bad storm in Antarctica and that was very interesting in terms of team dynamics there and how people were thinking, and we all thought we were going to die, and just how people reacted in those circumstances. I fell off um I um was coming down a big a steep ridge and I was carrying about 60 pounds on my back but because it was so much a lot of the stuff was hanging on the outside of my pack and I had forgotten at altitude that my pack was so wide and I was going around an edge near some rocks, my pack just rubbed against the rocks, it just nudged me off, so I put myself out to save myself and it was midair that I feel, but I was on a rope, so I only fell about 12 feet, but it was about 3 or 4000 feet sheer drop and I couldn't get back up because the pack was too heavy and there's 2 people standing holding

the rope, I couldn't see them there, that was quite critical… It is a funny story, but eventually I managed to get back onto this ledge, and the person in front of me [guide] felt that the weight was off the rope and therefore he knew I was on the ledge, so he started to pull the rope, obviously meaning come on, get going, and at that time I remember I was shaking obliviously and I remember thinking he was a horrid person because he wasn't stopping to ask me how I was, and all he did was he pulled we've got to go, we've got to go, and I went straight on down, and *they never asked me how I was*, ever, and looking back on it they did exactly the right thing, because if they'd asked me how I was I would've collapsed, and then *I would've been incapable of getting myself together to go on* [emphasis added].

The passage above suggests that sometimes the service provider also has to manage the client's emotions since failing in emotional management effects the other clients, the service providers, and the experience as a whole negatively. Emotional and physical performance affecting the focus; or even the lives of the others (clients and service providers) is complementary and mutually reinforcing. Furthermore, it is more important for customers to be able to manage their emotions at least until the day they reach their summit goal. Corry's quotation illustrates this point:

Corry (client): … I'm happy to be as emotional as possible *after we summitted* as a team *that's the time for emotions* but now I'm going to stay really tightly focused on the goal because we've been here for 30 days already we'll be here for another 20 days if not more, maybe another 25 days, and every day that goes by here it gets harder and harder to focus on the goal because more and more time's gone by so I don't want my feelings and emotions to get in the way whether that's homesickness or I'm quite happy to be excited about things or anxious about things but I don't want my emotions to get in the way from my focus on the goal [emphasis added].

There are a lot of uncertainties (e.g., a moving icefall, weather, and avalanches among many others) inherent in the activity and the guides want to be able to reduce the anxieties their customers might have as much as possible. Communication is important to prepare customers for flexible schedules and potential outcomes. The services provided are vital and they help to provide some comfort and to reduce the stress the customers may constantly feel. In many other contexts service providers are required by management and expected by customers to be smiling and pleasant during the service encounters (e.g., Hocschild 1983, Sharpe 2005). If the duration of the encounter is short, it is easier to manage emotions. The characteristics of the service setting also affect the performance of participants (e.g. Bitner 1992, Sherry 1998). The management of airline companies often suggests that their employees see the plane as their living room and the passengers as their guests to be able to engage in emotion management. However, such an illusion would be virtually impossible to sustain on Mt. Everest. Likewise, since the performance of the client affects other clients and the entire team's chances of success, they too are engaged in emotion work on a slippery stage fraught with danger even under the best of conditions. As a result, the co-construction of the service experience becomes a complex choreography. Given the high stakes of the expedition, not to mention the high investment of its participants, managing relationships and emotions takes on even greater significance not only for guides, but for clients as well.

## DISCUSSION AND CONCLUSION

The display and control of emotions by service providers have been studied mainly for their effects on customers' assessment of service quality (Bitner *et al.* 1990, Grayson 1995). Solomon et al. (1985) argued that consumption of a service is a process that is created and maintained by both the customer and the service provider; that is, consumers are enrolled into the service provider's production as co-producers (Grove and Fisk 1983; Langeard et al. 1981; Solomon et al. 1985). Production and consumption take place simultaneously and the customer is an integral part of the service process. In organizational behavior and management fields, it has been suggested that the consumer should be regarded as part of the service organization (Schenider 1980) and as a "partial employee" (Mills and Morris 1985) in an effort to acknowledge customer involvement in service production.

Research done on the active role of consumers identified several categories of consumer participation including corporeal, oral, and symbolic. This study adds consumer emotional control to the realm of co-creation of experience and meaning. This involves all these different and overlapping types of co-production and adds the active emotional participation which shapes consumers' interactions with service providers and other fellow customers. It is not only in high-risk contexts like Mt. Everest that these sorts of consumer emotion management can be critical. Consider tour groups, restaurant patrons, theater-goers, and many other group contexts in which one customer can change the nature of the experience for all of those present. Emotional displays may consist of angry outbursts, inappropriate laughter, loud talk, or even stoic behavior when the context requires more emotive engagement. Such reactions affect the service experience for all the participants. As this study shows, emotion management serves social functions such as impression management, relationship management, and self-preservation in social settings. Although emotion management in this context may have similarities with consumer coping or may be considered as one manifestation of it (see Duhachek 2005), it differs from it mainly through its strategic and social nature. In other words, emotion management is more important as part of a social interaction and is about producing the proper state of mind in others. On the other hand, coping is more about bringing forth more desirable states in one's own mind.

This study has several implications for consumer behavior and services marketing research. It has been argued that, in the public world of work, it is often part of an employee's job to accept uneven exchanges, to be treated with disrespect or anger by a client, since the customer doesn't have to smile back (Hocschild 1983). The findings here contradict the assumption of an asymmetric relation between customers and service providers and suggest that there can exist more balanced exchanges in extended and complex contexts. Emotion control by customers may be more important and have greater consequences in extended relational service encounters then in discrete ones (see Grayson 1998 and Price et al. 1995). Furthermore, emotion control may help all customers to achieve feelings of satisfaction. Future research should include other contexts to test the applicability of these findings. Although the particular context of this study will not exactly overlap with any other, complex service industries such as healthcare, education, law, and consultancy services may be potentially relevant since in these contexts service providers and their clients also interact over long periods of time and invest a substantial amounts of time, money, and effort in managing their self-presentation in these encounters.

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# The Effects of Service Quality Dimentsions on Customer Satisfaction Across Different Service Types: Alternative Differentiation As a Moderator

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## ABSTRACT

Customer satisfaction is an important indicator of corporate competitiveness. Previous studies have shown that perceived service quality is related to customer satisfaction. This study investigates the relative importance of service quality dimensions on customers' satisfaction across utilitarian and hedonic services. The moderating effect of alternative differentiation on the quality/satisfaction relationship is also examined. The results indicate that technical quality is more influential on the satisfaction of utilitarian services, and functional quality is a more important determinant factor of satisfaction in hedonic services than in utilitarian services. The relationship between service quality dimensions and satisfaction varies with the degree of differentiation of other alternatives.

## INTRODUCTION

Customer satisfaction has been viewed as an important indicator of corporate competitiveness, since it has a positive link to customer loyalty and profitability (Cronin and Taylor 1992; Oliver and Swan 1989; Anderson, Fornell, and Lehman 1994). A better understanding of the satisfaction formation process can allow firms to improve their customer satisfaction and loyalty more effectively. Consistent with this direction, many researches have devoted to identifying the determinants of satisfaction (Anderson and Sullivan 1993; Cronin and Taylor 1992; Taylor and Baker 1994; Woodside, Frey, and Daly 1989). Among all the factors that have been identified as antecedents of customer satisfaction, service quality may be the one that has received considerable attention.

Indeed, service quality has become an important research topic in service management. The conceptualization and operationalization of service quality are the recurring issues in the service literatures. Although there has been an ongoing debate about how to measure service quality, many studies agree with the multi-dimensionality of service quality and focus on two prevailing dimensions (Levesque and McDougall 1996; Grönroos 1984; McDougall and Levesque 1994; Parasuraman, Berry, and Zeithaml 1991). The first dimension includes the core or outcome aspects of service, which is known as "technical quality" (Grönroos 1984). The second dimension includes the relational or process aspects of service delivery, and is referred as the "functional quality." Technical quality and functional quality do not necessarily have equal contributions to customer satisfaction. However, only a limited set of empirical studies has reported the relationship between the two dimensions of service quality and customer satisfaction (Kelley, Donnelly, and Skinner 1990; Mittal and Lassar 1998; Patterson, Mandhachitara "A", and Smith 2001). This study attempts to make up for this gap in the current literatures.

Recent researches in the area of services marketing have begun to examine the effects of situational variables on the relationship between service quality and satisfaction (Mittal and Lassar 1998). Although the importance of investigating situational contingencies is well recognized for the tangible goods (e.g., Churchill and Surprenant 1982; Patterson 1993; Tse and Wilton 1988), it is still greatly untested for the services. Thus, another goal of this study is to examine two possible moderators, service type and alternative differentiation, of the quality/satisfaction relationship.

In summary, this study will investigate the effects of service quality dimensions on customer satisfaction across utilitarian and hedonic services. We will also test whether the relationship between service quality dimensions and satisfaction will vary with the extent of the differences among the alternatives.

## CONCEPTUAL BACKGROUND

### Dimensions of service quality and satisfaction

Grönroos (1984) proposed two dimensions of service quality, which are the technical quality and functional quality. Technical quality refers to the result or the outcome of the service, while functional quality refers to the process or the way the service has been delivered. The distinction of technical and functional qualities is parallel to the dimensions of perceived justice theory, namely distributive and procedural justices(see Cohen-Charash and Spector 2001 for a review). According to the theory of justice, distribute justice deals with decision outcomes while procedural justice deals with decision-making procedure, or how the outcome distribution is arrived (Lind and Tylor 1988).

The technical/functional quality distinction is also corresponding to the SERVQAUL model (Parasuraman, Zeithaml, and Berry 1988), which indicated that service quality contains five dimensions: reliability, responsiveness, assurance, empathy, and tangibles. Mels, Boshoff and Nel (1997) analyzed the data from four service industries and found that, in reality, SERVQUAL only measures two factors: intrinsic service quality (resembling what Grönroos termed functional quality) and extrinsic service quality (which refers to technical quality). Hui, Zhao, Fan, and Au (2004) further suggested that reliability can be viewed as an outcome measure because customers judge it after their service experience. The other four dimensions are process attributes because they can be evaluated by the customers during the service delivery.

It is commonly noted that service quality is an important determinant factor of customer satisfaction (e.g., Parasuraman et al. 1988; Cronin and Taylor 1992; Spreng and Mackoy,1996). Evidence shows that service satisfaction is a function of both technical and functional performance (Grönroos 1995; Yi 1993). Justice theory can provide plausible explanations for the impact of technical and functional qualities on satisfaction. Focusing on the perceived fairness of outcomes, distributive justice theory states that people will respond to unfair relationships by displaying certain negative emotions (dissatisfaction) (Greenberg 1990). Several studies also support the notion that consumers make equity judgments with respect to outcomes, and the equity evaluations would then affect consumer's satisfaction (Oliver and DeSarbo 1988; Oliver and Swan 1989). Defined as the perceived fairness of the means (or process) by which the ends are accomplished (Lind and Tylor 1988), procedural justice aims to enhance the probability of maintaining long-term productive relationship between parties, and has been shown to have a positive effect on consumer service satisfaction (Greenberg 1990; Konovsky 2000; Tax et al 1998).

Although the effect of performance expectations on satisfaction is known to be contingent on the type of tangible products (e.g., Churchill and Suprenant 1982; Patterson 1993, Tse and Wilson

1988), few studies have tested this contingency concept in services. Research on organizational justice has also found that distributive justice is more important predictor of satisfaction with personal outcomes, whereas the reverse is true when people make more general evaluations (Folger and Konovsky 1989; Lind and Tylor 1988; McFarlin and Sweeney 1992). This suggests that the predictive roles of outcome perception (i.e., technical quality) and the perceived fairness of process (i.e., functional quality) may depend on the nature of the outcome in question. Next, we will explore this issue and propose the service types and alternative differentiation as moderators of the quality/satisfaction relationship for services.

### Service Type

Service industries possess vastly different characteristics, thus the related benefits of what the consumer wants may vary according to the different types of services (Lovelock, 1983). Some services provide benefits of utilitarian values, while may provide hedonic values. Utilitarian services refer to those that accomplish functional tasks and focus on the tangible performance characteristics, such as car repair, dry cleaning, and banking. Hedonic services relate to the multi-sensory, fantasy, and emotional aspects of the consumption experience, such as hairstyling, arts, and dining at restaurants (Hirshman and Holbrook 1982).

When evaluating utilitarian services, customers are more practical and concerned with the problems solving. They are more concerned with the outcomes than the processes when receiving utilitarian services. In the hedonic services, customers are more concerned with the service-delivery and the evoked multi-sensual pleasure and enjoyment, captured with their experiential and affective benefits. They are simultaneously concerned with the consumption processes and the outcomes when receiving hedonic services.

In summary, the relative influence of technical quality compared to the functional quality of customer satisfaction is higher in utilitarian services. On the other hand, the influence of functional quality on customer satisfaction will increase in hedonic services. Therefore, we propose the following hypotheses.

*H1*: The impact of technical quality on customer satisfaction is greater than functional quality in utilitarian services.
*H2*: The impact of functional quality on customer satisfaction in hedonic services is greater than in utilitarian services.

### Differentiation of Alternatives

Alternative differentiation, sometimes called alternative attractiveness, is defined as the customer's estimation of the availability of similar services from an alternative service provider (Ping 1993; Patterson and Smith 2003). When more similar services are available, the differentiation and the attractiveness of alternatives are both lower. As Ping (1993) pointed out, the unavailability of similar or attractive alternatives is a favorable situation to retain customers. In other words, alternatives differentiation can increase customer's switching cost (Burnham, Frels, and Mahajan 2003). Therefore, when competing service providers' offer differentiated alternatives customers will have to spend more time and effort to compare among the alternatives, thus increasing their search cost. In addition, when the consumer switches to an alternative service different from the current one, this would mean that the consumer is forsaking the time, economic, and emotional investments made to establish and maintain the current service relationship, such as the special treatments for regular customers, friendships with the service personnel, and familiarity (and learning) with the service environment and procedure. Hence, in order to avoid the loss of these sunk costs customers will intend to stay in the current

relationship even when it is at a less satisfactory condition (Ping 1993; Sharma and Patterson 2000). To reiterate, the higher the alternative differentiation, the higher the switching costs.

The moderating effect of the perceived alternative differentiation on the relationship between service quality dimensions and satisfaction is now considered. When alternative differentiation is low, then the switching cost is low, and it does not matter much if the customers change their service providers. For the utilitarian services where customers are more concerned with problem-solving and accomplishing specific tasks, low alternative differentiation allows customers to consider the reasons of switching based only on the core aspects of the service, i.e., technical quality. However, when alternative differentiation is high, customers have to make more comparison among the alternatives, and both the service outcome and process will become the main determinants of customer satisfaction. Therefore, the customers would simultaneously consider the problem-solving and the added services (e.g. comfortable feel, good atmosphere). Thus, the explanatory power of functional quality on customer satisfaction will increase.

*H3*: Under low alternative differentiation, the impact of technical quality on customer satisfaction is greater than that of functional quality for utilitarian services.
*H4*: For utilitarian services, the relationship between functional quality and customer satisfaction will be stronger under high alternative differentiation condition, compared to low alternative differentiation condition.

In hedonic services customers are concerned with not only the specific tasks accomplished but also the service-delivery process. Even when other alternatives are similar and switching barriers have yet to be established, customer will put some attention on how they are treated during service encounters to give a satisfaction evaluation. When other alternatives are highly differentiated, however, customers will become more involved in the evaluation process (Zaichkowsky 1985) and consider various aspects of service quality. Therefore, functional quality becomes central to determine satisfaction.

*H5*: Under high alternative differentiation, the impact of functional quality on customer satisfaction is greater than that of technical quality for hedonic services.
*H6*: For hedonic services, the relationship between functional quality and customer satisfaction will be stronger under high alternative differentiation condition, compared to low alternative differentiation condition.

### METHOD

#### Sample

In order to choose services representing utilitarian and hedonic consumptions, a pilot study with 60 participants and across 40 service industries was conducted. All participates categorized retail banking as utilitarian service, and about 97.5% agreed all-you-can-eat buffet as hedonic service; therefore, these two services were selected as surveyed industries. A convenience sample of 570 graduate students from a main university in Taiwan was surveyed. Respondents were asked to recall one of their recent experiences with either a retail banking or an all-you-can-eat buffet and fill out a questionnaire based on that experience. Those who did not visit a retail bank or an all-you-can-eat buffet in the past six months were excluded, resulting in a total number of 422 usable responses (response rate 74%). Among them, 66 % was females.

**TABLE 1**
Descriptive Statistics for Utilitarian and Hedonic services

| | Utilitarian service (Retail banking) | | | Hedonic service (all-you-can-eat buffet) | | |
|---|---|---|---|---|---|---|
| | n | mean | St. Dev. | N | mean | St. Dev. |
| Techinical Quality | 255 | 4.46 | 0.92 | 167 | 4.80 | 0.99 |
| Funcational Quality | | 4.09 | 0.95 | | 4.12 | 1.07 |
| Satisfaction | | 4.58 | 1.21 | | 4.46 | 1.13 |

**Measures**

All measures used in this study were adapted from extant scales. Both the technical quality scale and functional quality scale were based on Patterson et al (2001) and contained five items each. The four items capturing customer satisfaction were based on Oliver and Swan (1989). The three items capturing alternative differentiation were adapted from Patterson and Smith (2003). All constructs used a 7-point Likert scale with anchors of *strongly disagree* (1) to *strongly agree* (7). The wording of all scales was adapted to suit the two chosen services. Cronbach's ? coefficients ranging from 0.75 to 0.94, exhibiting good internal reliability; therefore, all scale items were averaged to form corresponding constructs for further analyses.

**RESULTS**

Descriptive statistics of the constructs are shown in Table 1. To test H1 and H2, we regressed satisfaction on technical quality and functional quality for the two types of services. Regression results are presented in the first row of Table 2. Both beta coefficients of the technical and functional qualities are significant across the two services. For utilitarian service, technical quality is considerably more important in shaping satisfaction evaluations than functional quality; that is, beta coefficient for technical quality is 0.59 versus 0.18 for functional quality, supporting H1. For hedonic service, the beta value of the functional quality (.40) is slightly greater than that of technical quality (.39), granting some support for H2.

To examine the moderating role of alternative differentiation on the quality dimension-satisfaction relationship, we divided the data into high and low alternative differentiation groups for each service and conducted sub-group regression analyses. The results are shown in the second and third rows of Table 2.

When alternative differentiation (hereafter AD) is low, technical quality is a significant determinant of satisfaction for both utilitarian and hedonic services. (beta= .694 and .398 respectively). Functional quality, however, is significant only for the hedonic service (beta=.255, p<.05), but not for the utilitarian service (beta= .019, NS). Therefore, H3 is supported.

When AD is high, technical quality and functional quality are both important determinants of satisfaction for the utilitarian service (beta of technical quality=.518, beta of functional quality=.306, both p's<.001). Although both of the beta values of technical quality and functional quality are also significant for the hedonic service, the impact of functional quality is almost three times that of technical quality (beta of technical quality=.236, p< .05; beta of functional quality=.623, p< .001) . Hence, H5 is supported.

Chow tests were performed for each service to test H4 an H6. For the utilitarian service, the Chow test F=3.109, significant at α=.05 level, suggesting there are significant differences in the regression equations across the high and low AD sub-groups. Specifically, the influence of functional quality on satisfaction becomes greater as the degree of alternative differentiation increases (beta=.019 for low AD group vs. beta=.306 for high AD group). Therefore, H4 is supported. Similarly, the impact of functional quality is significantly different between the low and high alternative differentiations for the hedonic service (Chow test F*=5.8188, p<.05). Functional quality apparently have a stronger impact on satisfaction (beta=.623, p< .001) under high AD condition than when it is under low AD condition (beta=.255, p< .05). In addition, the influence of technical quality decreases as AD increases. These results provide support for H6.

**CONCLUSIONS**

The results of our study show that at different service categories, technical and functional quality has a different impact on customer satisfaction. In the utilitarian services such as banking, technical quality has a stronger impact on satisfaction than functional quality. In hedonic services such as all-you-can-eat buffet, functional quality is more influential than in utilitarian services.

Our study also shows that alternative differentiation has a major impact on the nature of the relationship between quality dimensions and customer satisfaction for both utilitarian and hedonic services. Under the low alternative differentiation conditions, the impact of technical quality on satisfaction is greater than functional quality in utilitarian services. In hedonic services, the influence of functional quality on customer satisfaction increases to a level close to that of technical quality.

Under high alternative differentiation conditions, the impact of technical quality on satisfaction is no less than functional quality in utilitarian services. In hedonic services, functional quality exerts more explanatory power on satisfaction than technical quality. For both utilitarian and hedonic services, the impact of functional quality on customer satisfaction under high alternative differentiation is greater than low alternative differentiation. This suggests that highly differentiated alternatives will increase customers' switching cost, so customers will put more attention on the process of service delivery.

Taken together, our results suggest that customers are more involved in evaluating hedonic services than in utilitarian services, since they consider not only the service outcome but also the service process for hedonic services. Alternative differentiation increases

**TABLE 2**
Regression Results (standardized)

| | Retail Banking | | | | Buffet | | | |
|---|---|---|---|---|---|---|---|---|
| | Technical Quality | Functional Quality | AdjR$^2$ | Chow Test | Technical Quality | Functional Quality | AdjR$^2$ | Chow Test |
| overall | .59*** | .18** | | — | .39*** | .40*** | | — |
| Low AD | .694*** | .019ns | .493 | 3.109*** | .398*** | .255* | .314 | 5.819*** |
| High AD | 0.518*** | 0.306*** | 0.599 | | 0.236* | 0.623*** | 0.659 | |

***p<0.001, *p<0.05, ns: not significant at p<0.05

switching cost and perceived risks, and thus increases customers' level of involvement. The notion that customers are more involved in hedonic services compared with utilitarian services is consistent with Shavitt (1992) and deserves further investigation.

**Managerial implications**

The results of this study showed that the impact of technical and functional quality in shaping customer satisfaction varied in the utilitarian and hedonic services. In utilitarian services, customers are more concerned with the service outcome than with the service process. To increase customer satisfaction, managers of utilitarian services could consider investing more resources in improving core benefits, especially when competitors are offering similar alternatives. In hedonic services, customers tend to use both technical quality and function quality to evaluate their service experience. It may be useful for managers of hedonic services to put a little more attention on the delivery process, such as treating customers as individuals, understanding what customers need beforehand, and showing willingness to help. When competing offers are highly differentiated, functional quality becomes even more important for hedonic services. Therefore, managers must understand the specific resources, skills, and mindsets of service staff that make up functional quality, so that proper investment on quality improvement can be made.

**Limitations and further research**

One limitation of this study is that a student sample was used, thus the results can only be generalized to young people. Second, the two services in this study are of low personal contacts and interactions, in contrast to hairdressing, medical, and insurance planning, which are of high personal contacts and tailor-made services. Previous studies have shown that the effects of quality dimensions on satisfaction would vary with the degree of personal contact (Mittal and Lassar 1998; Patterson and Smith 2003). Therefore, our results should be applied to low contact services only.

Our findings suggest that we have several contingency models of satisfaction evaluation, and each is applicable under different conditions. Thus, future studies of satisfaction must take into account the fact that the nature of the relationship between the antecedents and satisfaction are context-specific. Perceived service

complexity, level of personal involvement, and service usage experience are possible moderators worthy of investigation. Simultaneously considering several moderators is especially expected since it would help sort out the boundary conditions of our results.

This study did not consider the behavioral consequences of customer satisfaction such as customer loyalty, repeat-purchase, and recommendation. Previous studies have found that service quality could have a direct link to behavioral intentions (Sharma and Patterson 1999; Bell, Auh, and Smalley 2005), but the quality dimension affecting satisfaction seems to differ from that affecting loyalty (Mittal and Lassar 1998). Future research needs to further explore the dynamics of quality dimensions, satisfaction, and loyalty across various types of services.

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# An Empirical Comparison of Ambushing and Sponsorship Effects: The Case of 2006 FIFA World Cup Germany™

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## INTRODUCTION

Sponsorship as a marketing tool has grown remarkably during the last two decades, especially with respect to endorsement of worldwide sports events. Overall, global expenditures are forecast to reach $37.7 billion in 2007, up 11.9 percent from $33.7 billion in 2006 (anonymous 2007). Events like the Formula One, the Olympic Games and the FIFA World Cup™ have become fully globalized in terms of media coverage. Therefore, especially many large international companies use the FIFA World Cup™ as a platform for building, strengthening and maintaining their brand equity. For a sponsorship license, enabling the sponsors to market the partnership with the 2006 FIFA World Cup™ worldwide, companies have spent about $53 million US each (anonymous 2006). Hence, companies that engage in sponsorship have to be sure about the effectiveness of their investment (Johar, Pham, and Wakefield 2006), which can be endangered if too many official sponsors share a visitor's attention. To maintain exclusivity for the official sponsors, FIFA has limited their number to fifteen "Official Partners" and six "National Partners," who paid $17 million US each for local advertising rights. Still, sponsors do not seem to be satisfied with the granted exclusivity.

While too many sponsors will most likely result in reduced sponsorship effectiveness for a single sponsor, a second–and probably more severe–threat is the activity of ambush marketers. Ambush marketing is defined as "the practice whereby another company, often a competitor, seeks association with the sponsored activity without payment to the activity owner" (Meenaghan 1994, 77). Despite enhanced legal precautions to protect the interests of official sponsors (Townley, Harrington, and Couchman 1998), many examples of ambush marketing in the context of the FIFA World Cup™ can be found (e.g., Nike, O$_2$, and Puma).

Existing research on ambush marketing focuses on describing the phenomenon and examining strategic issues related to the *practice* of ambush marketing (e.g., Collett and Johnson 2006; Crompton 2004; Crow and Hoek 2003; Ettorre 1993; Farrelly, Quester, and Greyser 2005; Meenaghan 1994; Meenaghan 1998a; Meenaghan 1998b; Payne 1998), *ethical and legal issues* (e.g., Crompton 2004; McKelvey 2003; McKelvey 2006; O'Sullivan and Murphy 1998; Townley, Harrington, and Couchman 1998; Uphoff, Massey, and Brown 2006) and *consumer perceptions* of ambush marketing (Grohs, Wagner, and Vsetecka 2004; Lyberger and McCarty 2001; McDaniel and Kinney 1998; Mizerski, Mizerski, and Sadler 2001; Sandler and Shani 1989; Shani and Sandler 1998). However, research revealed only one study that deals with the effects of ambush marketing on brand evaluation (McDaniel and Kinney 1998). Moreover, existing studies evaluate the effects of ambush marketing at only one point in time. The predominance of the research on brand effects of sponsorship is either static (e.g., Becker-Olsen and Simmons 2002; Javalgi et al. 1994; Lardinoit and Quester 2001; Menon and Kahn 2003; Pope and Voges 1999, 2000;

Ruth and Simonin 2003; Speed and Thompson 2000; Stipp and Schiavone 1996; Turley and Shannon 2000) or is based on data using different respondents over time, making it impossible to analyze effects on the individual level (e.g., Easton and Mackie 1998; Nebenzahl and Jaffe 1991; Quester and Farrelly 1998; Stipp 1998). As a consequence, further studies are needed in order to obtain insights about the effects of ambush marketing strategies on brand evaluation over time.

In the present paper, we (1) use learning theory to develop a dynamical perspective of sponsorship and ambush marketing effects on brand perception and (2) investigate the proposed effects based on a panel survey that was conducted before and after the 2006 FIFA World Cup™.

In accordance with these research objectives, the paper is organized as follows. First, we briefly describe our rationale for choosing the two brands that are used in this research. Second, we briefly discuss the theoretical background of the study and develop our hypotheses based on existing literature. After describing the methodology, we present the results of the empirical analysis, which is based on panel data gathered from 254 respondents. The paper concludes with a discussion of the key findings and their managerial implications to both official sponsors and ambush marketers.

## THEORETICAL BACKGROUND AND HYPOTHESES DEVELOPMENT

Before we conceptualize the influence of sponsorship and ambush activities on brand perception, it is useful to define our understanding of a the term "brand". Following Farquhar (1989) and consistent with new interdisciplinary definitions of brand equity (e.g., Srinivasan, Park, and Chang 2005), we define brand equity as added value that a product has due to its brand. From a perspective of learning, brand equity can be seen as a node in the mind of an individual, which is connected to product-related attributes, utility-expectations, pictures, and emotions (Erdem et al. 1999). Repeated confrontation with stimuli from marketing management (such as advertising, sponsorship, and ambush marketing), from the environment (social networks), and due to personal experiences lead to an enforcement of associative connections in a consumer's mind (Martindale 1991; Till 1998).

Following Keller (1993), brand awareness and brand associations (image) are important dimensions that contribute to brand equity. Brand awareness relates to the strength of a brand in memory, and the likelihood and ease with which the brand will be recognized or recalled under various conditions (Silverman, Sprott, and Pascal 1999). Brand image is defined as "perceptions about a brand as reflected by the brand associations held in consumer memory" (Keller 1993).

The favorability, strength, and uniqueness of brand image permit the brand to be strategically differentiated and positioned in the consumer's mind. These associations can be built, strengthened, and maintained when consumers gain awareness of stimuli related to the brand. International sport events like the FIFA World Cup™ are promising suppliers of pictures, episodes, experiences and stories that may be relevant for building new associations. These

associations are predominantly–but not exclusively–communicated by mass media.

We propose that the process of building new associations between a brand and an event is identical for both sponsorship and ambush marketing practice, unless an individual realizes that he or she falsely associated a company with an event. In this case, existing attitudes about ambush marketing might play an important role (Lyberger and McCarthy 2001). Accordingly, in the next section, we develop our hypotheses about sponsorship effects on three brand constructs (brand awareness, brand image, and brand equity) in general, and, discuss specific aspects of information processing in the case of sponsorship versus ambush marketing.

In existing research, explanations of effects are often based on learning and consistency theories (Dean 2002, Olson and Thjomoe 2003). For instance, the mere exposure effect suggests that, in the absence of other stimuli (Baker 1999), repeated exposure to a stimulus will lead to a positive affective reaction (Zajonc 1968). In a similar manner to advertising, sponsorship is often directed to respondents in a situation, in which they pay relatively low attention to the stimulus (e.g., because of concentrating on the sports event). Therefore, the stimulus must be repeated several times in order to attract the respondent's attention (Baker 1999). This study proposes that respondents need to be exposed to the stimulus several times in order to recall it effectively, so that the association of the sponsorship stimulus to the sponsor is the result of a learning process. Several studies find evidence for a positive effect of sponsorship recall on brand perception (e.g., Becker-Olsen and Simmons 2002; Javalgi et al. 1994; Lardinoit and Quester 2001; Menon and Kahn 2003; Pope and Voges 1999, 2000; Ruth and Simonin 2003; Speed and Thompson 2000; Stipp and Schiavone 1996; Turley and Shannon 2000). Therefore, we propose:

$H_{1a,b,c}$: *If a sponsor is recalled, (a) brand awareness, (b) brand image, and (c) brand equity will be evaluated significantly more favorably.*

We expect the degree of change in brand awareness, brand image, and brand equity to be stronger for individuals who only recall/learn that the brand is linked to sponsoring (ambushing) in the second survey in comparison to the individuals who recall/remember the brand in both surveys. In the latter group, the information that the brand is connected to the event was learned before the first survey was conducted. From a perspective of learning, this assumption is justifiable as follows: A change in attitude can be seen as a hypothesis-testing process in which new information, for example, a sponsorship stimulus, is compared to existing attitude toward the sponsoring brand (Hoch and Deighton 1989, 3). It can be argued that existing attitudes toward a sponsoring brand prevent the processing of new information. The dominance of existing attitudes results in a confirmatory processing of new stimuli (Erdem et al. 1999, 307). Following Gettys and Fisher (1979), individuals only change their attitudes when it is predominantly evident that the existing attitude is wrong. This phenomenon is also referred to as "blocking" (van Osselaer and Alba 2000, 1). Hence, we hypothesize that:

$H_{2a,b,c}$: *Learning the association between a sponsor (ambusher) and an event will lead to a more favorable change in the evaluation of (a) brand awareness, (b) brand image, and (c) brand equity than will remembering the association.*

However, whether a change in attitude occurs and the direction in which that change occurs also depends on an individual's *prior knowledge* about the sponsoring (ambushing) brand, the sponsored object, and *existing attitudes* (e.g., toward sponsorship or ambush marketing in general).

We propose that the event image (Grohs, Wagner, and Vsetecka 2004; Speed and Thompson 2000), the attitude toward commercialization of sports events, and the attitude toward ambushing (Lyberger and McCarthy 2001) influence the change of brand awareness (brand image, brand equity) over time. Based on the learning perspective as described above, we expect a positive influence of the event image on the change of the dependent brand constructs (awareness, image, and equity). Moreover, we expect the change of the brand constructs to be more favorable if the existing attitude toward commercialization and ambushing is positive. Therefore, the following set of hypotheses is stated:

$H_{3a,b,c}$: *A positive event image has a positive impact on the change of (a) brand awareness, (b) brand image, and (c) brand equity over time.*

$H_{4a,b,c}$: *A positive attitude toward commercialization of an event has a positive impact on the change of (a) brand awareness, (b) brand image, and (c) brand equity over time.*

$H_{5a,b,c}$: *A negative attitude toward ambushing has a positive impact on the change of (a) brand awareness, (b) brand image, and (c) brand equity over time.*

We state hypothesis $H_6$ for both official sponsor and ambush marketer in a similar manner. We do not expect a negative reaction of individuals against ambushing brands if individuals are (and remain) unaware of the fact that the recalled brand is not the official sponsor. However, we specify $H_5$ for the group of individuals who recall the ambush marketer in t=1 and recall the official sponsor in t=2. For this recall group, we expect a negative effect of attitude toward ambushing on the ambushing brand, and a positive effect on the officially sponsoring brand. Hence,

$H_{6a,b,c}$: *A negative attitude toward ambushing has a negative impact on the change of (a) brand awareness, (b) brand image, and (c) brand equity over time, if the sponsor is identified as being an ambush marketer.*

## METHODOLOGY

### Stimuli and Sample

Our analysis focuses on Lufthansa and Emirates airlines in order to analyse ambush marketing and sponsorship effectiveness in comparison. Lufthansa gained attraction with its ambush strategies in the run-up of the 2006 FIFA World Cup™. As the official partner of the German soccer team, but not of the 2006 FIFA World Cup™, Lufthansa launched a vast variety of activities to associate the brand with the 2006 FIFA World Cup™. Lufthansa's ambushing activities may have reduced the effectiveness of Emirates' promotional efforts as the official airline sponsor of the 2006 FIFA World Cup™. Currently, Emirates had expanded heavily into the German market. To achieve higher brand awareness worldwide, sponsorship is one of Emirates' corporate communication instruments. Besides the 2006 FIFA World Cup™, Emirates made headlines in the soccer world by signing a $ 195 million US sponsorship contract with the Premier League Club Arsenal London in 2004 (Owen 2004) and other teams in Europe (Paris St. Germain, Hamburger SV).

We tested our hypotheses through an online study using a web survey design. In contrast to face-to-face studies, online surveys do

**TABLE 1**
Sponsorship recall before and after the event

| | Pre-event recall | | Post-event recall | | | | |
| | N | Emirates in percent | Lufthansa N (%)* | Air Berlin N (%) | Other N (%) | No recall N (%) | N (%) |
|---|---|---|---|---|---|---|---|
| Emirates | 71 | 28.0 | 70 (98.6) | 0 (0.0) | 0 (0.0) | 0 (0.0) | 1 (1.4) |
| Lufthansa | 65 | 25.6 | 31 (47.7) | 28 (43.1) | 1 (1.5) | 0 (0.0) | 5 (7.7) |
| Air Berlin | 17 | 6.7 | 8 (47.1) | 3 (17.6) | 2 (11.8) | 0 (0.0) | 4 (23.5) |
| Other | 12 | 4.7 | 4 (33.3) | 3 (25.0) | 0 (0.0) | 5 (41.7) | 0 (0.0) |
| No recall | 89 | 35.0 | 32 (36.0) | 15 (16.9) | 2 (2.2) | 6 (6.7) | 34 (38.2) |
| Total | 254 | 100.0 | 145 (57.1) | 49 (19.3) | 5 (2.0) | 11 (4.3) | 44 (17.3) |

not require personal interviews to be conducted and therefore avoid interviewer effects which could be an issue in this context (Duffy et al. 2005, 617). The sample was derived from an existing list of registered users of an online research portal which consists of more than 5,000 individuals who have registered their personal information (including email addresseses). Invitations for participation in this study were sent out to 2,000 individuals one week before the first match of the 2006 FIFA World Cup™ started. In order to ensure a high response rate, a number of prizes were drawn in a small lottery. Between May 29th and June 7th, we collected data from 433 German respondents, equaling a response rate of 21.7 %. Individuals were not notified that they would be contacted a second time. One week after the tournament final, a second invitation was sent to the 433 participants of the first round. A total of 254 respondents (58.7 %) participated in the second survey, in which a two-part questionnaire had to be completed. About 60 % of the respondents were male, with an average age of 29.2 (8.3 Std.-dev.). The focus on younger people does not affect the interpretation of the findings because all respondents could be target groups of the examined sponsor/ ambusher.

**Questionnaire Development and Measurement**

In order to measure sponsor and ambushing recall, the questionnaire asked respondents to name airline brands that they could recall as sponsoring of the FIFA World Cup™ (Tripodi et al. 2003). Following Baker et al. (1986) and Keller (1993), we decided against asking for ad/sponsorship recognition, because the measurement of recognition would be subject to several biases, that is, interest of a person in the brand (Bennett, Henson, and Zhang 2002, 177) and, more importantly, to a bias in the second survey.

Sponsor-related variables were measured using multi-item scales. All items are measured on 7-point Likert-type scales, with anchors of 1=strongly agree and 7=strongly disagree. Based on Yoo, Donthu, and Lee (2000), three items ("I can recognize X among other competing brands," "Some characteristics of X come to my mind quickly," and "I can quickly recall the symbol or logo of X") were used to measure a sponsor's brand awareness ($\alpha$= .903; $\rho$c=.915; VE=.782) and four items were used to measure overall brand equity ($\alpha$= .957; $\rho$c=.960; VE=.858). We measured brand image ($\alpha$= .901; $\rho$c=.904; VE=.612), consisting of attribute (comfort, safety, variety of connections, customer friendliness) and non-attribute (likeability, innovativeness) components using six items that are regularly used in the literature (e.g., Verhoef, Langerak, and Donkers 2004; Mitchell 1986). Attribute components are closely linked to quality, whereas non-attribute components represent a

brand's personality and imagery from a consumer perspective. We used a scale from Woisetschläger (2007) to measure event-image ($\alpha$= .926; $\rho$c=.929; VE=.724) and scales from Lee et al. (1997) and Lyberger and McCarthy (2001) to measure attitude toward commercialization ($\alpha$= .825; $\rho$c=.848; VE=.650) and attitude toward ambush marketing ($\alpha$= .902; $\rho$c=.897; VE=.686).

Notably, the coefficient alpha is larger than .7, which is the threshold generally proposed in the literature (Nunnally 1978), and composite reliabilities are larger than .6 for all constructs (Bagozzi and Yi 1988). Moreover, discriminant validity between the constructs is given, since none of the squared correlation coefficients between any of the constructs exceeds the average variance extracted for a construct (Fornell and Larcker 1981). We also checked for measurement invariance over time, as proposed by Baumgartner and Steenkamp (2006), and found the constructs to be sufficiently (partially metric) invariant.

**RESULTS**

Before we consider the tests of our hypotheses, we analyzed descriptive results of our study. Results of sponsorship recall before and after the 2006 FIFA World Cup™ are shown in Table 1.

In the first survey, almost nearly as many individuals recall the ambush marketer Lufthansa as sponsor (25.6 %) as recalled Emirates (28.0 %). The other respondents either could not recall any brand (35.0 %), or recalled other airline brands (11.4 %). After the event, 57.1 % of the respondents recalled Emirates. Recalls of the individuals who remembered Emirates in the first survey remained very stable, while 45.7 % of the respondents who named another brand initially learned that they were wrong. 35.0 % of the second-survey respondents who did not recall a sponsor in the first survey named Emirates, while 16.9 % of that group named Lufthansa.

Regarding the stability of brand awareness, brand image, and brand equity over time, Lufthansa is notably evaluated more favorably with respect to brand equity, and the ratings are stable between the two measuring points. In contrast, Emirates gained from being linked to the event in terms of brand awareness and brand equity. The improvement of brand image over time is marginally significant (Table 2).

In a next step, we analyze the relation between sponsorship recall and brand awareness (image, equity) for the two measuring points. Results shown in Table 5 indicate no significant effects for Lufthansa before and after the event. For the official sponsor Emirates, we find significant positive relations between sponsorship recall and brand awareness (brand image) before the event, and significant and even stronger relations between recall and all three

**TABLE 2**
Mean values and standard deviations of brand constructs in t=1, 2

| Construct | Lufthansa Pre | Emirates Post | Change [b] | Pre | Post | Change |
|---|---|---|---|---|---|---|
| Brand awareness | 2.03 (1.00)[a] | 2.04 (1.01) | -0.02[n.s.] | 4.69 (1.88) | 4.35 (1.81) | 0.34*** |
| Brand image | 2.63 (0.91) | 2.70 (1.00) | -0.08[n.s.] | 3.61 (1.35) | 3.50 (1.32) | 0.12* |
| Overall brand equity | 3.88 (1.92) | 3.80 (1.81) | 0.09[n.s.] | 5.14 (1.59) | 4.91 (1.61) | 0.23** |

[a] mean value (standard deviation)
[b] significance of change (Pre-Post) (*** $p<0.01$, ** $p<0.05$, * $p<0.1$, n.s.=not significant)

**TABLE 3**
MANOVA (Recall on brand constructs in t=1,2)

| t=1 | Lufthansa (Wilks Lambda: .992, Sig. n.s.) | | | Emirates (Wilks Lambda: .922, Sig. ***) | | |
|---|---|---|---|---|---|---|
| | recalled [a] | not recalled | Sig./Eta$^2$ | recalled | not recalled | Sig./Eta$^2$ |
| Brand awareness | 1.91 (0.79) | 2.04 (1.05) | n.s. (0.3 %) | 4.05 (1.84) | 5.06 (1.77) | *** (6.3 %) |
| Brand image | 2.63 (0.79) | 2.62 (0.95) | n.s. (0.0 %) | 3.12 (1.00) | 3.82 (1.38) | *** (5.9 %) |
| Ov. brand equity | 3.75 (1.91) | 3.94 (1.94) | n.s. (0.2 %) | 4.96 (1.55) | 5.27 (1.57) | n.s. (0.8 %) |

| t=2 | Lufthansa (Wilks Lambda: .986, Sig. n.s.) | | | Emirates (Wilks Lambda: .846, Sig. ***) | | |
|---|---|---|---|---|---|---|
| | recalled [a] | not recalled | Sig./Eta$^2$ | recalled | not recalled | Sig./Eta$^2$ |
| Brand awareness | 1.92 (0.75) | 2.10 (1.07) | n.s. (0.5 %) | 3.79 (1.62) | 5.17 (1.76) | *** (14.3 %) |
| Brand image | 2.55 (0.83) | 2.78 (1.03) | n.s. (0.9 %) | 3.13 (1.06) | 3.99 (1.45) | *** (10.5 %) |
| Ov. brand equity | 3.80 (1.69) | 3.77 (1.81) | n.s. (0.0 %) | 4.68 (1.63) | 5.14 (1.58) | ** (2.0 %) |

[a] mean value, lower number indicate a better evaluation (standard deviation)

constructs after the event. Hence, $H_{1a,b,c}$ must be rejected in the case of Lufthansa for both time points, whereas we find evidence for $H_{1a,b}$ ($H_{1a,b,c}$) for Emirates in the first (second) survey.

As a first result, we can conclude that the level of brand evaluation is more positive in interaction with the recall of communication stimuli in the case of the official sponsor Emirates. Therefore, in the following paragraph, the data of two measurement points is analyzed to assess the change over time and the role of moderating constructs that influence this process.

As stated in $H_2$, we expect that the brand constructs will be more stable in the group that recalls the sponsor/ambush marketer twice in comparison to the group that recalls the sponsor/ambusher only in the second survey. Results in Table 4 only indicate support for $H_{2b}$ only in the case of Emirates. All other hypotheses must be rejected.

Finally, the influence of existing attitudes (event image ($H_{3a,b,c}$), attitude toward commercialization ($H_{4a,b,c}$), and attitude toward ambushing ($H_{5a,b,c}$ / $H_{6a,b,c}$) on the change of the three brand constructs over time is analyzed with regression analysis for four different groups of respondents (all; respondents who identify the same brand twice as sponsor; respondents who identify the sponsor in the second survey; respondents who identify the ambush marketer in the first survey and the official sponsor in the second survey). Results are depicted in Table 5.

Most of the relations between attitude (toward commercialization of an event) and the change of the three dependent brand constructs are not significant, but have the algebraic sign in the proposed direction. The lack of significance could also be a result of small sample sizes in the groups analyzed. Because the size of the proposed effects is small, a larger sample size could lead to more significant results (Hair et al. 2006, 416). The change of brand equity is mostly unaffected by existing attitudes, while more significant results can be found for brand awareness and brand image. Overall, most of the hypotheses must be rejected, except for $H_{3a}, H_{5b}$ for the official sponsor Emirates and $H_{6a,b}$ for the ambush marketer Lufthansa.

However, a meaningful result indicated is that attitude toward ambushing shows a positive effect on the official sponsor for two recall groups, whereas the influence on the ambusher's brand image is negative. The strongest negative effect of attitude toward ambushing can be found for the group of respondents that recalls Lufthansa as sponsor in the second survey only. This finding shows that the measurement of recall alone for assessment of communication effectiveness could provide misleading results. Linking recall and change of brand constructs over time is important for a reliable assessment of the positive (negative) consequences of marketing communications.

**IMPLICATIONS AND FURTHER RESEARCH**

Based on our results, several implications for the brand management can be derived. In the next section, we briefly discuss general implications of our findings. In a following step, conse-

**TABLE 4**
Change in brand evaluation over time by recall groups

| | Change in brand awareness [a] | Change in brand image | Change in overall brand equity |
|---|---|---|---|
| Emirates recalled in both surveys (n=70) | 0.52 (1.43) | 0.02 (0.72) | 0.32 (1.23) |
| Emirates recalled only in 2nd survey (n=75) | 0.61 (1.31) | 0.43 (1.08) | 0.22 (1.44) |
| Significance of difference btw. groups | 0.09 [n.s.] | 0.41** | -0.10 [n.s.] |
| Lufthansa recalled in both surveys (n=28) | -0.07 (0.69) | 0.09 (0.40) | 0.10 (1.66) |
| Lufthansa recalled only in 2nd survey (n=21) | 0.27 (0.96) | 0.25 (0.82) | -0.44 (1.29) |
| Significance of difference btw. groups | 0.34 [n.s.] | 0.14 [n.s.] | -0.54 [n.s.] |

[a] mean (t=1)-mean (t=2) (standard deviation), positive values indicate a more favorable evaluation over time.

**TABLE 5**
Effects of existing attitudes on change in brand evaluation

| | Change in brand awareness [a] | Change in brand image | Change in overall brand equity |
|---|---|---|---|
| Event Image (overall, Emirates) | **-0.164**** | -0.040 [n.s.] | -0.025 [n.s.] |
| Event Image (Emirates recalled in both surveys) | -0.165 [n.s.] | 0.073 [n.s.] | 0.094 [n.s.] |
| Event Image (Emirates recalled only in 2nd survey) | 0.105 [n.s.] | -0.001 [n.s.] | 0.105 [n.s.] |
| Event Image (LHA recalled 1st, Emirates recalled 2nd) | -0.304 [n.s.] | **-0.347*** | -0.086 [n.s.] |
| Event Image (overall, Lufthansa) | 0.044 [n.s.] | -0.035 [n.s.] | **0.134**** |
| Event Image (Lufthansa recalled in both surveys) | -0.083 [n.s.] | -0.036 [n.s.] | 0.144 [n.s.] |
| Event Image (Lufthansa recalled only in 2nd survey) | -0.157 [n.s.] | 0.139 [n.s.] | 0.041 [n.s.] |
| Event Image (LHA recalled 1st, Emirates recalled 2nd) | -0.241 [n.s.] | 0.119 [n.s.] | 0.076 [n.s.] |
| Commercialization (overall, Emirates) | 0.051 [n.s.] | -0.041 [n.s.] | -0.092 [n.s.] |
| Com. (Emirates recalled in both surveys) | -0.058 [n.s.] | -0.149 [n.s.] | -0.129 [n.s.] |
| Com. (Emirates recalled only in 2nd survey) | -0.051 [n.s.] | -0.083 [n.s.] | -0.087 [n.s.] |
| Com. (LHA recalled 1st, Emirates recalled 2nd) | -0.232 [n.s.] | -0.260 [n.s.] | -0.173 [n.s.] |
| Com. (overall, Lufthansa) | 0.010 [n.s.] | -0.038 [n.s.] | **-0.120*** |
| Com. (Lufthansa recalled in both surveys) | -0.100 [n.s.] | -0.172 [n.s.] | -0.211 [n.s.] |
| Com. (Lufthansa recalled only in 2nd survey) | -0.030 [n.s.] | -0.231 [n.s.] | -0.263 [n.s.] |
| Com. (LHA recalled 1st, Emirates recalled 2nd) | -0.243 [n.s.] | 0.169 [n.s.] | -0.153 [n.s.] |
| Attitude toward Ambushing (overall, Emirates) | -0.021 [n.s.] | -0.095 [n.s.] | -0.005 [n.s.] |
| Ambushing (Emirates recalled in both surveys) | -0.147 [n.s.] | **-0.348***** | 0.057 [n.s.] |
| Ambushing (Emirates recalled only in 2nd survey) | -0.045 [n.s.] | **-0.219*** | -0.067 [n.s.] |
| Ambushing (LHA recalled 1st, Emirates recalled 2nd) | 0.028 [n.s.] | -0.242 [n.s.] | 0.038 [n.s.] |
| Attitude toward Ambushing (overall, Lufthansa) | 0.008 [n.s.] | **0.111*** | 0.103 [n.s.] |
| Ambushing (Lufthansa recalled in both surveys) | 0.275 [n.s.] | 0.148 [n.s.] | -0.255 [n.s.] |
| Ambushing (Lufthansa recalled only in 2nd survey) | **0.465**** | **0.651***** | 0.157 [n.s.] |
| Ambushing (LHA recalled 1st, Emirates recalled 2nd) | 0.204 [n.s.] | 0.236 [n.s.] | -0.064 [n.s.] |

[a] linear regression on construct's mean (t=1)-mean (t=2)

quences for official sponsors and ambush marketers are presented.

One consequence of our results is that, in spite of extensive legal efforts to restrain ambush marketing activities, ambush marketing poses a threat to official sponsors of events. Indeed, Lufthansa did not profit from the ambush marketing activity in the specific period of time but, most likely, the positive consequences of the sponsorship by Emirates were influenced negatively.

Furthermore, a conclusion of our examination is that the communication effect for the official sponsor Emirates is strong, while there is no significant effect for the ambush marketer Lufthansa.

The effect of sponsorship on Emirates is not only limited for brand awareness but also for the image and equity of the brand. Therefore, the strategic alternatives presented by Cliffe and Motion (2005) have to be adjusted, in the sense that mass events can also be used to raise a brand's image and equity to a degree, even when a brand is relatively unfamiliar to most consumers before the event.

Thus, for official sponsor partners, it is important to take the necessary precautions to ensure that the effectiveness of the partnership is not weakened by ambush strategies of their competitors. For example, a company should have to be certain that all gaps of

possible misuse are closed by regulations of the event organizer before signing a sponsorship contract. However, companies that decide to follow an ambush marketing strategy should concentrate on using the gaps (e.g., sponsorship of national teams during a sport event) in the communication strategy of their competitor. Moreover, they should try to avoid negative associations which can be the consequence if legal arguments with official sponsors arise, or if the motives of the ambusher become too obvious to the public.

Further research should focus on gaining a deeper understanding about the effect of existing attitudes (and their change over time) on the brand over time. Additionally, a broader concept of brand image should be applied, because we focused more on attribute than on non-attribute components of brand image. Replications should consider that a higher number of respondents might be required to identify effects. Moreover, this study should be replicated in different contexts (event and brand-related) to generalize the results reported in this study.

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# Profiling the Brand Personality of Specific Brands

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## ABSTRACT

The purpose of the present study is to demonstrate an alternative framework for evaluating the brand personality of a single brand using Q methodology. Q methodology is uniquely suited to measuring the personality of a single brand because it allows the measurement of a subjective construct in a holistic way without reducing the construct to factors. The brand personality profiles are provided for four fast food brands: McDonald's, Burger King, Wendy's and Subway. An interpretation and comparison of these profiles reveal the similarities and differences among these brand personalities in the same product category.

## INTRODUCTION

A considerable amount of attention has been given to the construct of brand personality In consumer behavior research (Aaker, 1997; Fournier, 1998; Muller and Chandon, 2003; Sung and Tinkam, 2005; Venable et al., 2005; van Rankom, Jacobs, and Verlegh, 2006). Brand personality is a multi-dimensional construct that provides a unique view of a brand that goes beyond merely describing a brand's intrinsic attributes (Keller, 2003a, 2003b). Examining the human characteristics that consumers ascribe to a brand should lead to a better understanding of consumers' perception of the brand. However, given the nature of the construct, a brand's personality often resides in a consumer's subjective evaluation. How to extract consumers' subjective perceptions of a brand's personality represents the focus of this study.

The widely-cited and arguably most influential research on brand personality was conducted by Aaker (1997). By utilizing Aaker's basic framework as a starting point, this research attempts to study how to build a brand personality profile for individual brands using Q methodology. Q methodology is designed to study people's subjective representation of the world from their internal standpoint (Brown, 1980); therefore, it is appropriate to adopt Q methodology to study consumers' subjective evaluation of a brand's personality. Moreover, the advantages of Q methodology (e.g., small number of participants, retrieving subjectivity, identifying different perspectives, etc.) have proven Q methodology to be a viable, yet underutilized, research method in marketing (Kleine, Kleine and Allen, 1995).

## BRAND PERSONALITY

### Definition of Brand Personality

The brand personality construct was introduced by Martineau (1958) to refer to the non-material dimensions that made a store special. The author argued that the personality or character of a store could help to differentiate one store from another. King (1970) and Plummer (1985) contributed to the establishment of the construct in consumer behavior research. As cited by Azoulay and Kapferer (2003 p.144), King believed that "people choose their brands the same way they choose their friends… they simply like them as people." Plummer (1985) advanced the brand personality construct by asking consumers to identify a brand as a type of person, staying in what kind of places, having what occupations, reading what types of magazines, etc.

More recently, Aaker (1997, p. 347) defined brand personality as the "set of human characteristics associated with a brand." The purpose of Aaker's (1997) research was to assess and describe the aggregate structure of brand personality across brands and product categories. The author carefully selected 37 brands from various product categories and adopted a lexical approach similar to the Big Five model of human personality in psychology. Aaker (1997) developed a 42-item measurement scale from the original set of 114 traits and identified five dimensions of brand personality: excitement, sincerity, competence, sophistication and ruggedness.

### Measuring the Personality of a Brand

Measuring a single brand's personality in a specific market is of great interest to both researchers and practitioners. Some researchers have attempted to measure brand personality using the five-factor model assuming that each individual brand should be represented by the entire five-dimensional personality structure that Aaker (1997) uncovered across many brands and product categories (e.g. Kim, 2000; Best, 2005). Rojas-Mendez, Erenchun-Podlech, and Silva-Olave (2004) used Aaker's (1997) 42-item scale to measure Ford's brand personality in Chile. Although these researchers expected to replicate the five-factor structure for Ford that Aaker (1997) found across multiple brands, the authors only found four dimensions.

Aaker (1997) defined brand personality at the individual brand level and suggested using the scale to measure brand personality for individual brands. However, the five-dimensional structure should only be expected to emerge at the aggregate level, not the individual brand level (Austin, Siguaw and Mattila, 2003; Bonsnjak, Rammstedt and Tuten, 2005). The 37 brands selected by Aaker (1997) represent a wide range of product categories. Aaker (1997) took the average scores across subjects for each brand on each trait; thus the personality of a brand is presented as a single data point in the five-dimensional structure. If used at the aggregate level (i.e. across different brands and product categories), Aaker's five-dimensional structure would likely be retrieved; however, researchers should be very cautious if they assume that each individual brand will have the same five-dimensional brand personality structure, or believe that a simplified scale (e.g., using the 15 facets instead of the 42 traits) can be used to measure a single brand's personality.

In order to explore the extent to which the brand personality of a single brand may conform to the aggregate structure uncovered by Aaker (1997), we conducted a study of McDonald's. To evaluate McDonald's brand personality vis-à-vis Aaker's (1997) five dimensions, we administrated Aaker's 42-item brand personality scale to 185 college students who participated in an online survey in exchange for class credit. Participants were directed to indicate how characteristic McDonald's is with respect to each of the 42 traits uncovered by Aaker (1997) on a 7-item Likert scale (1=extremely uncharacteristic; 7=extremely characteristic). An exploratory factor analysis (EFA) was conducted using principal component extraction with a varimax rotation and a factor extraction criterion of eigenvalue greater than 1. We uncovered 12 factors (not five) that explained 66.2% of the variance. Furthermore, the traits in each factor neither resembled the items in Aaker's five-factor

structure, nor represented the 15 facets of the brand personality scale. For example, in the first factor, which explains the most variance (22.8%), there are traits such as hard-working, trendy, good-looking, glamorous, intelligent, smooth, upper-class, up-to-date, honest, and wholesome. In Aaker's five-factor structure these traits come from the factors of sophistication, competence, sincerity and excitement.

A confirmatory factor analysis (CFA) using maximum likelihood via AMOS 5.0 software (Jöreskog and Sörbom, 1993) was then conducted to see how well Aaker's five-factor solution fits the data. The model was specified exactly the same as the five-factor model tested by Aaker (1997), so that each factor represented a distinct dimension of brand personality, with the covariance matrix of the five factors used as input for the analysis. The fit statistics indicated a poor model fit. The GFI, AGFI, NFI, and CFI values for all the data sets fell well below the acceptable level of .90 (GFI=0.847, AGFI=0.811, CFI=0.816 and NFI=0.740, Chi-square=1569.246, p-value=0.000; Bentler and Bonett, 1980). The RMSEA value (RMSEA=0.104) is far above the acceptable criterion of .05 (Browne and Cudeck, 1993).

Both the 12-factor structure uncovered from EFA and the unsatisfactory model statistics from CFA indicate that Aaker's five-factor model of brand personality could not be retrieved for the single brand, McDonald's. However, this result should not be used to question the aggregate dimensionality of brand personality of multiple brands uncovered by Aaker (1997). Nevertheless, as rigorous as Aaker's study is, what matters to a company is the brand personality of its individual brand in a specific market, rather than the overall brand personality structure across different product categories. In the next section we describe an alternative approach to profiling the personality of a single brand using Q methodology.

## Q METHODOLOGY

The goal of describing the brand personality of a single brand is fundamentally different from describing the brand personality structure at the aggregate level. For this research, we have adopted Q methodology to assess the brand personality of a single brand. Q methodology, introduced by Stephenson (1935, 1953), was designed to study human subjectivity and provide a method to examine the world from the internal standpoint of the individual being studied (Brown, 1980, 1993). Although subjective opinions are unprovable, they can be shown to have structure and form, and Q methodology represents a means to make this form manifest for observation (Brown, 1996). Q methodology enables researchers to "model — or, more accurately, enables the respondent to model his or her—viewpoints on a matter of subjective importance through the operational medium of the Q-sort" (McKeown and Thomas, 1988, p. 12).

Q methodology is uniquely suited for measuring the personality of a single brand because it allows us to measure a subjective construct in a holistic way without reducing the construct to factors (Stephenson, 1953; Brown, 1980; McKeown and Thomas, 1990). Brand personality is a subjective phenomenon, and "subjectivity is always self-referent" (McKeown and Thomas, 1988, p. 12). Thus, Q methodology provides a foundation for the systematic study of subjectivity (Brown, 1993).

According to Brown (1997), there has been an acceleration in the use of Q methodology in an expanding number of intellectual fields. In marketing, Kleine, Kleine and Allen (1995) studied consumers' possession attachment to various personal belongings using Q methodology. The authors investigated consumers' different types of possession attachment and how the strength of the attachment varies due to the life story associated with the possession. Q methodology was widely used in personality studies as well.

Block and Robins (1993) studied the personality change from early adolescence to early adulthood. Hilden (1954), Block (1955), Block and Bailey (1954) and Albanese (1993) adopted the California Q-Set to the study of personality assessment and psychiatric research. We, therefore, believe it is appropriate to adopt Q-methodology in our study of the brand personality of a single brand.

There are two main components in Q methodology, Q-sort (measurement of subjectivity) and Q-factor analysis (forming groupings of individuals with similar subjectivity).

### Q-Sort

The instrumental basis of Q methodology is the Q-sort technique (Brown, 1996), a comparative ranking task in which participants rank order a set of statements (i.e., in our case, the 42 brand personality traits), under certain instructions (e.g. "Describe the brand personality of McDonald's"). Subjects are instructed to express their perceptions of a certain subject matter by rank ordering the provided statements into a continuum of categories, ranging from extremely characteristic to extremely uncharacteristic. Each category has a fixed number of statements. The number of statements required in the two extreme categories is the smallest, and the number gradually increases toward the middle of the categories; the distribution of the number of statements across categories resembles a normal distribution. The participants have to make comparisons among the statements before putting them into each category; therefore, the decision of assigning each statement to a particular category is made relative to the placement of the other statements. The subjective perspective of the brand's personality is constantly referred to by the sorter during the sorting process. Q-sorting requires more cognitive effort than a comparable scale-based questionnaire methodology. The additional effort over conventional survey methods required to do a Q-sort stems directly from the task of ranking each item relative to all the others to form a holistic representation of the brand's personality.

### Q-Factor Analysis

Different persons' Q sorts can be correlated and factor analyzed to form groupings of persons who have ranked the statements in a similar way (Brown, 1980, 1993, 1996). The correlation of different subjects' sorts indicates the similarity/dissimilarity of each person's perspective. The factors uncovered in this way point to categories of operant subjectivity; i.e., different groups of opinions and views on the same subject matter (Stephenson, 1954, 1977, 1993; Brown, 1980, 1993). Persons loaded on the same factor bear a resemblance in terms of subjectively shared viewpoints. Though the viewpoints being studied are subjective, "the factors are grounded in concrete behavior, and are usually reliable and easily replicated, and, happily, are subject to statistical summary which facilitates more careful description and comparison" (Brown, 1980, p. 6).

The sorts are factor analyzed using a statistical program like SPSS or a specialized program like PQMethod (2.11). In the data input for Q-factor analysis, the subjects are placed in the columns and the items in the rows. Each of the factors resulting from Q-factor analysis corresponds to a group of individuals with a similar perspective. The factor scores are averages weighted by Spearman's rank correlations for each item across the groups of subjects. Thus, for the purpose of profiling the brand personality of a single brand, the ranking of these factor scores from positive to negative (positive=traits characteristic of the brand and negative=traits uncharacteristic of the brand) reflects the perceived brand personality of the group. The ranking of these scores tends to be quite stable over various levels of sample sizes. Thus, a relatively small number of participants (e.g. 30 to 60 sorts) are usually sufficient to achieve stability in the ranking of factor scores (Brown, 1996).

In summary, when Q-sorts are factor analyzed, subjects are grouped to reveal the structure of shared perspectives. Thus, we can identify different perspectives of the personality of a specific brand, and simultaneously, identify the members of each group. By the same token, Q methodology can be used as a segmentation tool to uncover the different segments of a brand's customers according to the different brand personalities held by the members of each segment.

## MEASURING MCDONALD'S BRAND PERSONALITY WITH Q METHODOLOGY

### Pretest

This research was conducted at a large state university in the Midwestern U.S. For the sake of consistency with existing research, we adopted Aaker's 42 brand personality traits. Decks of cards were created for participants to use in the study. Each deck has 42 cards, and each card contains one of Aaker's (1977) 42 traits. A pretest with 13 college students (earning extra class credit) was conducted to see if the participants had any problem following the instructions of the Q study and to detect any possible ambiguous brand personality traits contained in the deck. Each subject was given a deck of cards and was asked to rank order the 42 traits according to his or her perception of the brand personality of McDonald's. The 42 traits were sorted into seven categories ranging from -3 to +3, each with a fixed number of cards required in the category (+3, extremely characteristic, 3 cards; +2, quite characteristic, 5 cards; +1, somewhat characteristic, 8 cards; 0, neither characteristic nor uncharacteristic, 10 cards; -1, somewhat uncharacteristic, 8 cards; -2, quite uncharacteristic, 5 cards; and -3, extremely uncharacteristic, 3 cards).

We believe that McDonald's is appropriate for this research because college students are very familiar with the brand and they represent a sizable consumer segment of this fast food chain. Throughout the pretest, we found that participants did not have any difficulty in understanding either the research method or the instructions. We identified a potential ambiguous trait, "western." Some students interpreted "western" as the opposite of Eastern culture, while "western" in Aaker's scale means "cowboy western." To avoid any misunderstanding, we added a notation, "cowboy" to the item, "western."

### Main Study

The main study was comprised of 85 college students between the ages of 20-24, who participated in the study for class credit. For data collection, we ran 12 sessions with 7-8 students in each session. As in the pretest, each participant was given a deck of cards with the 42 brand personality traits, an instruction for sorting, and a score sheet to record the Q-sort. According to the instructions, participants were asked to describe the brand personality of McDonald's by placing the 42 traits into 7 categories, ranging from extremely characteristic (+3) to extremely uncharacteristic (-3). Participants were also asked to examine the sort, make rearrangements as needed, and to be sure that the sort represented their view of McDonald's. It took the participants approximately 15-20 minutes to finish the sorting. Once the participant was satisfied with the sort, he/she recorded the sort on the score sheet thereby completing the session.

### RESULTS

All 85 sorts were entered into SPSS for factor analysis. The factors generated represented groupings of subjects with the same perspectives related to McDonald's brand personality; in other words, subjects grouped on each factor had sorted the 42 traits in a similar way and shared a common view of McDonald's brand personality. The factor analysis yielded one dominant factor with an eigenvalue of 37.9 explaining 45% of the variance (74 participants out of 85 loaded on this factor) and a subordinate factor with an eigenvalue of 5.6 explaining 7% of the variance (4 participants out of 85 loaded on this factor). In Q analysis, the variance explained should be interpreted as the percentage of variance in that factor over the total amount of variance among the items in the entire sample. This suggests that there is one dominant brand personality for McDonald's.

Within each factor, based on the value of the factor score of each trait, we constructed the brand personality profiles (see Table 1). For each factor, the 42 traits were ranked by the value of the factor scores from positive to negative (see Table 1). The top three traits with the highest positive factor scores were put in category +3, indicating that these traits were extremely characteristic of McDonald's according to the point of view of the members in the group. Traits in category +3 carry more weight in determining the brand personality of McDonald's than other traits. The next 5 traits that ranked high on the list were put into the category, +2, meaning that traits in this category were quite characteristic of McDonald's. All 42 traits were put into these 7 categories accordingly. Traits with a positive sign indicate that McDonald's is characteristic of these traits and the traits with a negative sign suggest that McDonald's is uncharacteristic of these traits. Of all 42 traits, 16 have positive signs and 16 have negative signs. The 10 traits with a rating of 0 are neither characteristic nor uncharacteristic of McDonald's.

Factor 1 represents the dominant perspective of McDonald's brand personality. The three extremely characteristic traits (+3) indicate a brand personality of McDonald's as a *successful corporate leader*. The brand personality described by this category clearly fits McDonald's position as a leading corporation in the fast food industry. Therefore, when college students think of McDonald's, the first image that comes to mind is that of a successful business leader.

The five quite characteristic traits (+2) add more personal characteristics to McDonald's brand personality as family-oriented, friendly, cheerful, up-to-date and confident. The trait of family-oriented may have come from the happy meal on McDonald's menu and the playground for children. Friendly and cheerful may be associated with the spokesperson, Ronald McDonald. The confident trait is consistent with McDonald's character as a successful corporate leader. The eight traits in the somewhat characteristic category (+1) reveals a more exciting side of McDonald's as imaginative, young, spirited, and trendy, along with the traits of reliable, secure and hard working that are also consistent with the predominant brand personality of McDonald's as a successful corporate leader.

At the negative end of the brand personality profile, McDonald's is clearly not perceived by college students as upper class, glamorous, or cowboy western (extremely uncharacteristic, -3), nor outdoorsy, rugged, tough, wholesome or unique (quite uncharacteristic, -2). Thus, we can conclude that among college students McDonald's personality is neither stylish nor tough.

Thus Factor 1 reveals the dominant brand personality of McDonald's as a successful corporate leader that is shared by a preponderance of the subjects.

Factor 2 reveals an alternative perspective of McDonald's brand personality shared by only four group members. In this perspective the extremely characteristic traits (+3) depict a cheerful, honest and wholesome side of McDonald's. The quite characteristic traits (+2) of sincere, friendly, original, and family-oriented echo the traits in the +3 category. Factor 2 does not portray McDonald's as a successful corporate leader, as these traits fell on

**TABLE 1**
McDonald's Factor Scores for each Brand Personality Trait

|  | Factor 1 | Factor 2 |
|---|---|---|
| Successful | +3 | -1 |
| Corporate | +3 | -2 |
| Leader | +3 | -1 |
| Family-oriented | +2 | +2 |
| Friendly | +2 | +2 |
| Up-to-Date | +2 | -1 |
| Cheerful | +2 | +3 |
| Confident | +2 | 0 |
| Reliable | +1 | 0 |
| Imaginative | +1 | +1 |
| Secure | +1 | -1 |
| Young | +1 | +2 |
| Spirited | +1 | +1 |
| Original | +1 | +2 |
| Hard Working | +1 | -1 |
| Trendy | +1 | -2 |
| Real | 0 | +1 |
| Exciting | 0 | 0 |
| Independent | 0 | 0 |
| Intelligent | 0 | -1 |
| Cool | 0 | +1 |
| Contemporary | 0 | -2 |
| Down-to-earth | 0 | +1 |
| Honest | 0 | +3 |
| Smooth | 0 | -1 |
| Sincere | 0 | +2 |
| Masculine | -1 | 0 |
| Sentimental | -1 | +1 |
| Technical | -1 | -3 |
| Good-looking | -1 | -1 |
| Feminine | -1 | 0 |
| Daring | -1 | -2 |
| Small-Town | -1 | 0 |
| Charming | -1 | +1 |
| Unique | -2 | +1 |
| Wholesome | -2 | +3 |
| Tough | -2 | -3 |
| Rugged | -2 | -3 |
| Outdoorsy | -2 | 0 |
| Western | -3 | 0 |
| Glamorous | -3 | -1 |
| Upper Class | -3 | 0 |

the negative end of the profile (e.g., successful, leader, intelligent, hard-working).

## COMPARISON OF THE BRAND PERSONALITY OF BURGER KING, WENDY'S AND SUBWAY

The study was extended to Burger King, Wendy's and Subway to demonstrate that Q methodology can be used to differentiate between brands in the same product category. As in the case of McDonald's, college students are very familiar with these brands and they represent a sizable consumer segment of these fast food chains. Burger King and Wendy's resemble McDonald's in the food items on the menu and the business operations. Subway, however, differs from these burger chains in light of claims made of healthier food and food preparation (i.e., preparing food in front of customers). Thus, on an a priori basis, we would expect the brand personality of Wendy's and Burger King to more closely resemble that of McDonald's and the brand personality of Subway to be different.

Following the same procedure as the McDonald's study, college students participated in the study in exchange for class credits. Forty students Q sorted the 42 brand personality traits for Burger King, 42 sorted Wendy's, and 34 sorted Subway. Following the same steps of analysis reported above, we were able to establish the brand personality profiles for each brand. The results are presented in Table 2 for the comparison among the four brands.

### Burger King

A dominant factor was uncovered for Burger King explaining 35.6% of the variance with an eigenvalue of 14.26 and 32 of the 40 subjects loaded on this factor. Table 2 reveals the rankings of the brand personality traits for Burger King based on the factor scores of the 42 traits. This list represents the predominant perspective of Burger King's brand personality held by the college student participants of this study. The three extremely characteristic traits (+3) suggest a brand personality of Burger King as *successful, corporate, and family-oriented*. Two items, successful and corporate, out of the three traits in the +3 category, are found in the +3 category of McDonald's dominant brand personality profile as well. The item that differs in the extremely characteristic category is family-oriented as opposed to leader in McDonald's brand personality. Although Burger King is a successful corporation in the fast food industry as well, compared to McDonald's, it lacks the personality of a leader in the participants' view. The items in the other categories resemble those of McDonald's brand personality to a large degree.

### Wendy's

Forty-two students took part in the brand personality study for Wendy's. Similar to McDonald's and Burger King, Wendy's data present a dominant factor with 36 subjects loaded on this factor, explaining 42.9% of variance and an eigenvalue of 17.61. According to the ranking of the brand personality traits (see Table 2), the traits that are extremely characteristic (+3) indicate that Wendy's can be described as *successful, friendly and family-oriented*. Compared to the brand personality of McDonald's and Burger King, Wendy's is considered to be friendlier and less corporate. The trait of corporate occurs in the +3 category of both McDonald's and Burger King. Successful is the common brand personality trait in the +3 category for all three brands.

### Subway

As with the other three brands, there is a dominant perspective of Subway's brand personality. Twenty seven of 34 subjects loaded

on this dominant factor explaining 41.2% of the variance with an eigenvalue of 13.18. The extremely characteristic (+3) brand personality traits associated with Subway are *successful, friendly and wholesome* (see Table 2).

Successful, as discussed above, is a common trait of all four brands being studied. Friendly occurs in the +3 category of both Burger King and Wendy's. The trait of wholesome represents the most distinguishing brand personality trait for Subway. Wholesome fell into the quite uncharacteristic category (-2) for McDonald's, the somewhat uncharacteristic category (-1) for Burger King, and the neither characteristic nor uncharacteristic category (0) for Wendy's. In other words, "wholesome," one of the most descriptive personality traits of Subway, is perceived to be uncharacteristic of McDonald's and Burger King and neutral for Wendy's. Healthier food is a heavily advertised claim of Subway. Although it is not surprising that Subway is viewed as having a wholesome brand personality, it does demonstrate that Q methodology can differentiate the personalities of brands within the same product category. Another noticeable difference between Subway and the other three brands is the presence of the trait of corporate, which occurs in the +1 category for Subway, in the + 3 category for both McDonald's and Burger King, and in the +2 category for Wendy's. This suggests that participants in this study perceived Subway to be the least corporate brand of four fast food brands under examination.

## DISCUSSION

This study contributes to the brand personality literature as the first attempt to investigate the personality of a single brand using Q methodology. The results illustrate how individuals can describe the personality of a single brand by Q-sorting the 42 personality traits established by Aaker (1997). We have established different brand personality profiles for four fast food brands, McDonald's, Burger King, Wendy's and Subway. An interpretation and comparison of these profiles revealed the similarities and differences among the brand personalities of these brands in the same product category.

Q methodology provides multi-dimensional interpretations of a brand's personality. While conventional factor analysis often only reveals the brand personality at the five-factor or 15-facet level, the results of Q methodology, as shown in our illustration of four fast food brands, can be interpreted at the profile level, the category level (+3 to -3), and individual item level. By so doing, researchers can achieve a fuller profile of a single brand's personality without assuming that the five-dimensional factor structure should occur at the individual brand level.

In addition, our findings support that Q methodology is particularly useful for examining a person's subjective view of a specific brand's personality. This study has demonstrated the methodology's discovery potential and its use in establishing a holistic view of a brand's personality. Q methodology not only discovered the dominant perception of a brand's personality, but also provided detailed supporting information that leads to a holistic understanding of the brand's personality.

Q methodology can be used for profiling the brand personality of a single or multiple brands for a specific market or across different markets. Therefore, our findings have significant managerial contributions as well. Q methodology can be easily administrated in focus group studies to study brand personality. This easy-to-use method, when being implemented in focus group studies, can generate more in-depth and meaningful interpretations of the qualitative data. Q methodology is able to uncover the underlying personality of a brand with a relatively small number of subjects,

**TABLE 2**
Factor Score Ranking of Brand Personality Traits for Four Fast Food Brands

| | McDonald's | Burger King | Wendy's | Subway |
|---|---|---|---|---|
| Successful | +3 | +3 | +3 | +3 |
| Corporate | +3 | +3 | +2 | +1* |
| Leader | +3 | +2 | +2 | +2 |
| Family-oriented | +2 | +3* | +3* | +2 |
| Friendly | +2 | +2 | +3* | +3 |
| Up-to-Date | +2 | +2 | +1 | +2 |
| Cheerful | +2 | +2 | +2 | +1 |
| Confident | +2 | +1 | +1 | +1 |
| Reliable | +1 | +2 | +2 | +2 |
| Imaginative | +1 | +1 | 0 | 0 |
| Secure | +1 | +1 | +1 | 0 |
| Young | +1 | +1 | 0 | +1 |
| Spirited | +1 | 0 | +1 | 0 |
| Original | +1 | 0 | +1 | +2 |
| Hard Working | +1 | +1 | +1 | +1 |
| Trendy | +1 | 0 | 0 | 0 |
| Real | 0 | +1 | 0 | +1 |
| Exciting | 0 | 0 | -1 | 0 |
| Independent | 0 | 0 | -1 | 0 |
| Intelligent | 0 | 0 | 0 | -1 |
| Cool | 0 | 0 | 0 | 0 |
| Contemporary | 0 | +1 | 0 | 0 |
| Down-to-earth | 0 | 0 | +1 | +1 |
| Honest | 0 | +1 | +2 | +1 |
| Smooth | 0 | -1 | -1 | -1 |
| Sincere | 0 | 0 | +1 | 0 |
| Masculine | -1 | 0 | -1 | -1 |
| Sentimental | -1 | -2 | 0 | -2 |
| Technical | -1 | -1 | -2 | -3 |
| Good-looking | -1 | -1 | -1 | -1 |
| Feminine | -1 | -2 | -1 | -1 |
| Daring | -1 | -1 | -2 | -1 |
| Small-Town | -1 | -1 | 0 | -1 |
| Charming | -1 | -2 | -1 | -1 |
| Unique | -2 | -1 | -1 | 0 |
| Wholesome | -2 | -1 | 0 | +3* |
| Tough | -2 | -2 | -3 | -2 |
| Rugged | -2 | -2 | -2 | -2 |
| Outdoorsy | -2 | -3 | -2 | -2 |
| Western | -3 | -1 | -2 | -3 |
| Glamorous | -3 | -3 | -3 | -3 |
| Upper Class | -3 | -3 | -3 | -2 |

* Traits that manifest differences among the brands.

thus providing an economical tool for profiling an individual brand's personality. Moreover, Q methodology can be used as a segmentation tool to group a company's customers according to their perspectives. As found in the study of McDonald's, Q methodology identified two groups of participants who view McDonald's brand personality differently. With further information on the members' usage rate, attitude toward the brand and satisfaction with the service, a company can achieve a better understanding of why customers see the brand differently. In this manner, applying Q methodology to the examination of a brand's personality can provide meaningful information for a company's marketing strategy development.

As with many other studies, our research has its limitations. Due to a concern with maintaining consistency with existing research, we adopted Aaker's (1997) 42-item brand personality scale. Among these 42 traits, there may be some items that are not applicable to fast-food brands, such as intelligent and independent. This represents a limitation of this study. In future research a new scale for the measurement of brand personality can be developed. Another limitation is that the college student participants only represent a certain segment of the market for four fast food brands. Whether these brands are perceived to have different brand personality profiles among other customer segments remains to be investigated. In future research on the brand personality of McDonald's it would be particularly worthwhile to add to the comparison the brand personality profiles of African-American and Hispanic consumers.

This study demonstrated only some aspects of the potential of Q methodology in measuring a person's subjectivity in general, and perceptions of brand personality in particular. Future research should examine the stability of the interpretations across different populations, brands and traits. In addition, we can apply our study in an international context and examine possible differences in people's perception of a brand's personality between countries and cultures.

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# Taking Control: An Integrated Model of Dispositional Self-Control and Measure

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## ABSTRACT

This paper presents a theoretical model of self-control as a dynamic process. In situations demanding self-control, the individual experiences one of two types of temptations: Impulsiveness or procrastination, followed by an inner struggle between yielding to and overcoming the temptation. When the individual activates personal resources to overcome temptations, the process of self-control takes place. Individuals vary in their abilities to overcome temptations; some overcome them immediately, while others need to call upon what we define as *intrinsic and extrinsic control mechanisms*. We suggest that intrinsic control mechanisms are self-actions and thoughts that individuals employ when they need to exert control, whereas extrinsic control mechanisms are actions that address others and seek their help in overcoming the temptation. We present and test the theory with a context-free self-control measure in four studies.

## INTRODUCTION

Everyday and all day we are faced with temptations; from what to have for breakfast to what dessert to have at dinner, from persisting in a workout to submitting a manuscript on time; temptations are everywhere and self-control takes a fundamental role in over lives.

Thus, it is not surprising that self-control has stimulated much interest in the literature as it contributes to the understanding of a wide range of behaviors such as; criminal behaviors (e.g. Hirschi 2004), health risking behaviors such as smoking and overeating (e.g. Baumeister, F., and Tice 1994; Herman and Polivy 2004), or alcohol and drug consumption (see review in Baumeister et al. 1994; Hull and Slone 2004) and financial behaviors such as credit card use (Mansfield, Pinto, and Parente 2003) or impulsive and non-rational consumption (Baumeister 2002; Vohs and Faber 2003; Wertenbroch 1998).

In this research we suggest a theoretical model of dispositional self-control, and a theory-driven context-free reflective measure. We follow previous work on self-control as a stable dispositional attribute (McCabe, Cunnington, and Brooks-Gunn 2004; Mischel, Shoda, and Rodriguez 1989; Turner and Piquero 2002) and contribute to this body of literature by suggesting a more complex investigation of self-control. By integrating the bodies of literature on impulsiveness and procrastination we suggest that the two are mirroring responses to temptations that stand in the way of self-control. Furthermore, the proposed theory focuses not only at extreme levels of self-control (i.e., the tendency to immediately overcome or yield to temptations), but also at the mid-levels of self-control that are characterized by the tendency to apply control mechanisms to overcome temptations. In addition, the distinction between two types of control mechanisms—intrinsic and extrinsic—is proposed, as well as the notion that individuals may have a stable personal inclination to use each one.

We begin by defining self-control as a dynamic process in which the individual faces and deals with temptations and the inner struggle they induce. This process is evoked as a result of two types of temptations: those that arouse impulsiveness, and those that arouse procrastination. Individuals deal with both types in various ways by allocating personal resources to overcome the temptation. The self-control process can either be successful, i.e., when the individual succeeds in overcoming the temptation; or unsuccessful, i.e., when the individual yields to the temptation.

### Impulsiveness and Procrastination Temptations

Past research on self-control referred to various temptations that could be classified into one of two types: *impulsiveness temptations*, when acting upon them promises gratification in the near-future (e.g., enjoying the taste of a cake), yet a negative outcome in the far future (e.g., gaining weight) (Kivetz and Keinan 2006; Trope and Fishbach 2000); and *procrastination temptations*, yielding to which means postponing taking an action, making a decision, or persisting in a task. Such a delay of action also promises gratification in the near-future (e.g., avoiding the unpleasantness of going to the dentist). However, it also has a negative outcome in the far-future (e.g., future dental problems) (Ferrari 2001; Greenleaf and Lehmann 1995; Kivetz and Keinan 2006; Tice and Baumeister 1997; Trope and Fishbach 2000).

Most studies have focused on either impulsiveness or procrastination (exceptions are Ferrari 1993; McCown 1995). We suggest these are two types of temptations that threaten self-control. Yielding to such temptations promises immediate gratification, yet at the same time promotes future negative outcomes (Dhar and Wertenbroch 2000; Fishbach and Trope 2005; Giner-Sorolla 2001; Loewenstein 1996; Trope and Fishbach 2000). As a result, the individual faces an inner struggle between fulfilling gratification now and paying the price later, and between overcoming temptation now and gaining a benefit later (Baumeister and Vohs 2004; Fishbach and Shah 2006; Giner-Sorolla 2001; Loewenstein 1996; Mischel et al. 1989; Thaler and Shefrin 1981). When the individual resolves the inner conflict by trying to overcome the temptation and by investing resources to do so (Baumeister, Muraven, and Tice 2000), the process of self-control is completed.

### Intrinsic and extrinsic control mechanisms

Control mechanisms are *cognitive, affective and behavioral means individuals use to help themselves overcome temptation*. Individuals may employ control mechanisms either to prevent over-controlled behavior, as demonstrated in the work of Kivetz and Simonson (2002); where participants pre-committed themselves to choosing a self-indulgent reward or to avoiding under-controlled behavior, as demonstrated in the work of Ariely and Wertenbroch (2002), where students pre-committed to submission due dates of procrastinated academic tasks.

Several studies have explored various actions for avoiding self-control failure that could be viewed as control mechanisms. Thus, for example, cost-benefit analyses or selective attention are cognitive actions individuals may take to resist temptations whereas physical distancing from the temptation are behavioral actions (Dholakia 2000; Rook and Fisher 1995).

Trope and Fishbach (2000) referred to control mechanisms as "strategies for coping with self-control-demanding situations". According to their theory of *counteractive control actions* (CCT), when people anticipate that a short-term outcome might endanger their long-term best interests, they respond with actions designed to counter the short-term outcome(s). O'Donoghue and Rabin (1999), following earlier work (Strotz 1956), offered the differentiation between "sophisticated" and "naïve" individuals: Sophisticated

individuals tend to anticipate being tempted to experience immediate gratification and act against their long-term best interests; thus they take actions in advance to avoid self-control failure. In contrast, naïve individuals do not anticipate self-control problems, and hence take measures in advance to ensure the employment of self-control (O'Donoghue and Rabin 1999).

Following these theories, low self-control individuals—i.e., those who immediately yield to temptations without giving them a second thought—are not likely to use control mechanisms (in O'Donoghue and Rabin's terminology, they are *naïve*). Likewise, neither are high self-control individuals likely to rely on control mechanisms, because they do not need to; they have a strong ability to overcome temptations immediately, sometimes even automatically. Control mechanisms are used mainly by individuals who are somewhere in the middle of the self-control continuum: They realize that when encountering temptations, it is in their best interest to overcome them; yet they admit that they may lack sufficient ability to do so, and therefore they apply control mechanisms for ensuring self-control (in O'Donoghue and Rabin's terminology, they are *sophisticated*).

We distinct between two types of control mechanisms; (1) *intrinsic control mechanisms*-are self-actions and self-thoughts for ensuring controlled behavior. In other words, one's "self" is responsible for activating an action (thought) of control and see it through. Examples of intrinsic control mechanisms are self-rewards (or self-penalties) for succeeding (or failing) to stay on a weight loss program, designating interim due dates for completion of an academic task on time, pre-committing actions such as making shopping lists to avoid impulsive shopping. (2) *extrinsic control mechanisms*-are actions the individual take that seek the help of others and rely on them. In other words, one's "self" activates the help of others to ensure controlled behavior. Examples of extrinsic control mechanisms are going to a "fat farm" to avoid over eating, committing publicly to deadlines with penalties to avoid procrastination, joining a study group, or asking someone else to supervise their shopping in order to avoid impulsive buying.

**Scale construction**

To the best of our knowledge, this is the first attempt to create a context-free scale that measures both high and low extremes of resisting the two types of temptations as well as measures the activation of intrinsic and extrinsic control mechanisms as a stable disposition. To that end, we developed the scale in 3 stages which are described here briefly for they are not the main purpose of the paper. In the first stage we adopted items from Tangeny, Baumeister and Boom (2004) self-regulation scale and generated new items to create a more balanced scale between items measuring impulsiveness and procrastination temptations. In the second stage some items were modified or replaced in the attempt to ensure a balance between items measuring overcoming and yielding to temptations. In the third and final stage of the scale construction, items measuring the tendency to activate intrinsic and extrinsic control mechanisms were added. The final self-control scale includes twenty three items: Four items measuring yielding to impulsiveness temptations (e.g. "I do many things on the spur of the moment"); five items measuring overcoming impulsiveness temptations (e.g. "I seldom get carried away by my feelings"); three items measuring yielding to procrastination temptations (e.g. "I sometimes postpone tasks I have to do until it's almost too late"); five items measuring overcoming procrastination temptations (e.g. "I am able to work effectively toward long-term goals while resisting temptations along the way"); and in addition, six items measuring the tendency to use control mechanisms to overcome temptations, including three items measuring the tendency to use intrinsic mechanisms (e.g.,

"When I fear I might put off a difficult task, I designate myself interim due dates for completion of various stages of the task"), and three items measuring the tendency to use extrinsic mechanisms (e.g. "Occasionally, I ask a friend or relative to make sure I won't be tempted by something I really don't feel like doing"). For the list of all the scale's items see appendix A.

## STUDY 1: TESTING THE SELF-CONTROL STRUCTURE

The purpose of Study 1 was to test the entire structure of the DSC, and test the inter-correlations among the different DSC components. We hypothesized that all items measuring the same component (e.g., items measuring the tendency to use intrinsic mechanisms) should show high inter-correlations and group together on a graphic map. Therefore, six distinct groups of items were expected to emerge on such map. Moreover, these distinct groups of items were expected to resemble an X-like structure.

We expected all items representing immediate yielding to temptation separated into impulsiveness and procrastination items to emerge on one side of the map while on the opposite side all items measuring overcoming temptations, again separated into the two temptations. In between these two poles we expected items representing the tendency to use control mechanisms to appear. Near the low self-control end (i.e. items measuring yielding to temptations) we expected to find items measuring extrinsic mechanisms while near the high self-control end (i.e. items measuring overcoming temptations) we expected to find items measuring intrinsic mechanisms.

**Method**

*Participants*

Participants were 247 students who participated in exchange for course credit ($Age_{mean}=31.8$).

*Measures*

Participants received the DSC described above. Internal reliability of the entire DSC scale was .75 and internal reliabilities of indices of the different components ranged from .51 to .80.

**Results**

To verify the relations among all items, a multi-dimensional scale analysis named Smallest Space Analysis (SSA) was used (see Guttman 1968; Shye, Elizur, and Hoffman 1994). The SSA provides a graphic representation of the relationships among all variables in the measurement. Each item is represented by a dot. The more strongly two items are positively correlated, the closer the two dots representing them appear on the SSA map, thereby allowing for areas of items with similar meanings to emerge and be identified as representing a component or a dimension. The SSA map reflects inter-correlations among all items and provides a spatial representation of the variables from which we could identify the clusters without imposing them. In addition, the SSA does not assume each variable to relate to only one dimension, and hence allows testing a more complex model. Finally, the SSA is a confirmatory technique in the sense that it allows for comparing an observed mapping of items to a hypothesized mapping derived from theory (Shye et al. 1994).

Figure 1 presents the SSA map of study 1, which is consistent with the proposed relationships among the items.

The coefficients of alienation is .12, indicating very good representation of the matrix of inter-correlations (see Guttman 1968). In alliance with our hypothesized self-control structure all items representing yielding to temptations emerged on the right side of the map (the low self-control pole), separated into two groups of impulsiveness (marked as "ih" items) versus procrastination temp-

**FIGURE 1**

SSA map of the DSC measure (COA= 0.12)
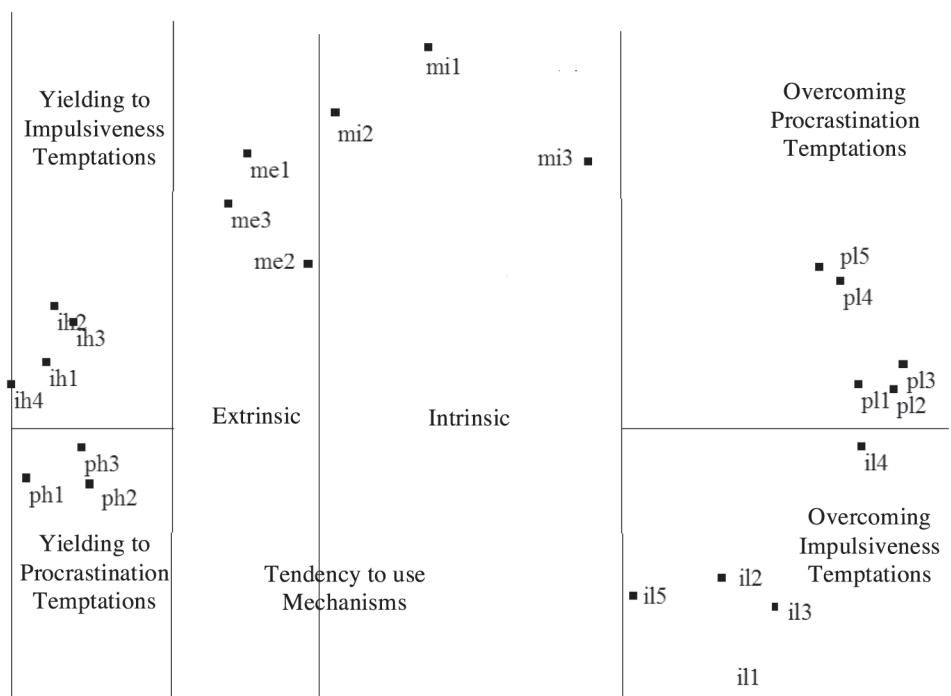


tations (marked as "ph" items). Conversely, all items representing overcoming temptations emerged on the left side of the map (the high self-control pole), again separated into two groups according to the type of temptation (impulsiveness items marked as "il" and procrastination items marked as "pl"). In between these two poles and in the center of the map items measuring the tendency to use control mechanisms emerged. As hypothesized items measuring the tendency to activate intrinsic mechanisms (marked as "mi") emerged in proximity to the overcoming temptations side while items measuring the tendency to activate extrinsic mechanisms (marked as "me") emerged in proximity to the yielding to temptation side. Thus, confirming our hypothesized structure of the DSC.

## STUDY 2: TESTING THE SCALE VALIDITY

In this study we used different samples and a total of 753 students and non-students participants to validate the DSC by testing its retaliations with other related constructs, namely; the five factor model (FFM), the procrastination scale (PS), the buying impulsiveness scale (BIS), the general impulsiveness scale (UPPS), the frugality scale (FS) and the self-consciousness scale (CON).

*The five factor model scale*: The FFM is the leading model of personality traits, presenting five basic trait factors: neuroticism, openness to experience, extraversion, agreeableness, and conscientiousness (Saucier 1994). Most, if not all studies have found conscientiousness to be the trait most related to self-control (Carver 2005; Robins et al. 1996). Conscientious individuals tend to be cautious, thorough, and reliable; they are motivated by their desire to "do the right thing". Therefore, individuals who are highly

conscientious are most likely to invest effort in overcoming temptation in situations demanding self-control. Accordingly, we hypothesized conscientiousness to correlate positively with self-control. In addition, several studies have found neuroticism to be linked to impulsiveness and procrastination (for review see Carver 2005; McCown, Johnson, and Petzel 1989). We therefore expected neuroticism to correlate negatively with self-control.

*The procrastination scale*: We hypothesize that Lay's (1986) procrastination trait scale would correlate with the DSC procrastination component. Specifically, the PS was expected to correlate positively with the DSC items measuring yielding to procrastination temptations, and negatively with items measuring overcoming procrastination temptations. Moreover, these correlations were expected to be stronger than the correlations with the DSC items referring to impulsiveness temptations.

*The impulsiveness scales*: In general, we hypothesized that the DSC impulsiveness component will correlate with two scales of impulsiveness.

Sample 1 tested the relationship with a domain-specific behavior in marketing—impulsive buying—using Rook and Fisher's (1995) buying impulsiveness scale (BIS).

Sample 2 tested the relationships with a more general measure of the impulsiveness trait using Whiteside and Laynam's (2001) impulsive behavior scale (UPPS). This scale was generated from ten existing scales measuring various impulsive personality aspects that reveal four general facets of impulsiveness: 1) Premeditation, which is "the tendency to delay action in favor of careful thinking and planning"; 2) Urgency, which is "the tendency to commit rash and regrettable actions as a result of intense negative effect"; 3)

Sensation- seeking, which is "the tendency to seek excitement and adventure"; and 4) Perseverance, which is "the ability to remain with a task until completion and avoid boredom". However, we suggest that perseverance is not an impulsiveness facet, but rather a procrastination facet. Perseverance is the ability to complete a task. Completion of a continuous task demands overcoming the desire to stop performing the task and perhaps returning to it later. This pattern of behavior is more consistent with procrastination, rather than with impulsiveness. Therefore, we hypothesize that with the exception of perseverance, all facets of the UPPS will correlate more strongly with the DSC impulsiveness component than with the DSC procrastination component.

*The frugality scale*: Frugality as defined by Lastovicka et al. (1999) reflects "short-term sacrifices in buying and using consumer goods to achieve idiosyncratic longer-term goals". Thus frugal consumers will be more careful and calculus at spending their money. Acting in a frugal manner is contradictory to acting in an impulsive manner. We therefore hypothesize that the FS will positive correlate with the DSC impulsiveness component (reverse coded) and that this correlation will be stronger than with the DSC procrastination component (reverse coded).

*The self-consciousness scale*: Fenigstein, Scheier, and Buss (1975) identified three types of self- consciousness; *private self-consciousness*, which refers to one's inner thoughts and feelings; *public self-consciousness*, which refers to one's general awareness of the self as a social being; *and social anxiety*, which refers to one's discomfort in the presence of others. Many self-control situations take place within a social context. In other words, social norms define situations that demand self-control. Therefore, both private and public self-consciousness are related to self-control and the activation of control mechanisms. However, social anxiety focuses on negative feelings experienced in the presence of others, and is therefore not relevant to testing self- consciousness in a self-control context. We suggest that activation of control mechanisms occurs when individuals suspect that they may not be able to resist temptations. The ability to anticipate self-control problems is dependent on one's level of self-consciousness. In other words, individuals who are self-aware acknowledge their potentially harmful behaviors, and thus tend to activate control mechanisms to try to avoid self-control failure. Extremely high self-control individuals may succeed in overcoming temptation without self- consciousness, since they are able to do so immediately, perhaps even automatically. Similarly, extremely low self-control individuals yield to temptations without giving it a second thought, and therefore lack self-consciousness. To summarize, we hypothesize that both private and public self-consciousness (CON) would correlate positively with the tendency to activate control mechanisms (both intrinsic and extrinsic), yet not correlate with the DSC components measuring immediately overcoming temptations or immediately yielding to them.

## Method

### Participants

In samples, 1 and 4 (n=143,147; Age$_{mean}$=33.8, 26; for samples 1, 4 respectively), participants were students who participated in exchange for course credit. In samples 2[1] (n=373) and 3 (n= 90; Age$_{mean}$ =28.4) students and non-students participants entered an on line survey, and filled the questionnaire in return for a chance to win a ruffle of gift certificates (in sample 2 the prizes were 24 gift certificates of 15$ each, in sample 3 the prize was one gift certificate of 25$).

### Measures

The self-control scale: we used the DSC as in study 1. Internal reliabilities ranged from .40 to .82 across all samples.[2]

*The five factor model scale*: To measure the FFM, Saucier's (1994) short version of five-factor questionnaire (i.e., the Mini-marker Questionnaire) was used. The measure consists of eight adjectives measuring each of the five factors (a total of 40 adjectives). Internal reliabilities of the five factors ranged from .65 to .80.

*The procrastination scale*: Lay's (1986) procrastination scale was used. The measure consisted of 20 items. Internal reliability was .88.

*The impulsiveness scales*: The Buying impulsiveness scale (BIS): The scale by Rook and Fisher's (1995) was used. The measure consisted of eight items (one item from the original scale— "'Just do it' describes the way I buy things"—was left out).

*The general impulsiveness trait (UPPS)*: A shortened version of Whiteside and Lynam's (2001) UPPS scale was used. In the shortened version, each of the four facets was measured by three items. Internal reliability of all of the scale's items was .72. Internal reliabilities of the four facets ranged from .69 to .79.

*The frugality scale*: adopted from Lastovicka et al (1999), the measure included eight items. Internal reliability was .81.

*The self-consciousness scale*: adopted from Fenigstein et al. (1975), the measure included 23 items. Ten items measured private self-consciousness, seven items measured public self-consciousness and six items measured social anxiety. Internal reliabilities were .71, .65, and .75 for the private, the public, and the social anxiety factors respectively.

In all measures participants were asked to indicate to what extent each item describes them on a five-point scale (range: 1= "does not describe me at all" to 5="describes me accurately").

## Results

*The Five Factor model (FFM)*: As hypothesized, correlations with conscientiousness were positive and strong (r=.51, p<.01), and with neuroticism negative and weaker (r=-.35, p<.01). Unexpectedly, agreeableness correlated positively with the DSC (r=.17, p=.04). Correlations with the two other traits were, as expected, none significant (r$_{extraversion}$= .12, r$_{openness}$= .11, both n.s.)

*The procrastination trait*: Correlation between the PS and the DSC procrastination component were, as hypothesized, negative and strong (r=-.80, p<.01), while with the DSC impulsiveness component correlations were also negative, yet to a lesser extent (r=-.35, p< .01). The strong correlations between Lay's scale and the DSC procrastination component may result from the possibility that this construct is less complex then, for example, the impulsiveness construct. If so, measures of different procrastination aspects (e.g., as trait or as a component of self-control) will capture most, if not all, of the concept's content, resulting in strong correlations among the various measures.

*The buying impulsiveness tendency*: Correlations with the BIS were, as hypothesized, stronger with the DSC impulsiveness component (r=-.49, p<.01) than with the DSC procrastination component (r= -.25, p<.01).

*The general impulsiveness scale (UPPS)*: As hypothesized, premeditation, urgency and sensation-seeking facets correlated more strongly with the DSC impulsiveness component than with the DSC procrastination component (r$_{premeditation}$=.51, .31, p<.01;

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[1]Due to a bug in the website's program, the respondents' ages were not recorded; however, sample 2 was taken from an existing pool, therefore it is reasonable to assume that the mean age is similar to that of other samples from the same pool, all ranging across mean ages of 34-36.

[2]In samples 1 and 2 a preliminary version of the scale was used, accounting for the relatively low internal reliabilities.

$r_{urgency}$ =-.52, -.41, p<.01; $r_{sensation\ seeking}$=-.33, -.14 for the impulsiveness and procrastination indices respectively). In addition, and as hypothesized, correlation of perseverance facet was stronger with the DSC procrastination component than with the DSC impulsiveness component (r=.21, .49, p<.01 for the impulsiveness and procrastination indices respectively). This finding is congruent with the findings of Dewitte and Schouwenburg (2002).

*The frugality scale*: As hypothesized, the FS was positively correlated with the DSC (r=.37, p<.01). However, contrary to our hypothesis FS was not correlated significantly stronger with the DSC impulsiveness index than with the procrastination DSC index (r= .30, .27, p<.01 for the impulsiveness index and procrastination index respectively). This unexpected finding is interesting and calls for further investigation of the possible relations between frugality and procrastination.

*The self-conscientiousness scale*: As hypothesized, private and public self-consciousness were positively correlated with the intrinsic and extrinsic control mechanisms components of the DSC (with intrinsic mechanisms: $r_{private}$ =.23, $r_{public}$ =.31, both p<.01, with extrinsic mechanisms: $r_{private}$ =.15, p=.06, $r_{public}$ =.26, both p<.01). Neither private nor public self-consciousness correlated with any other components of the DSC. As hypothesized, social anxiety did not correlate with extrinsic mechanisms; yet unexpectedly, it partially correlated with intrinsic mechanisms (r=-.05, p>.05, r=.16, p=.06, respectively).

## STUDY 3: TESTING THE TWO TYPES OF CONTROL MECHANISMS

The purpose of Study 3 was to further ascertain the distinctiveness between the two types of control mechanisms; namely the intrinsic and the extrinsic control mechanisms. Since use of control mechanisms has not been explored as a stable individual difference, there are no existing scales for measuring this tendency or similar personality constructs. Hence, to validate these components of the scale, domain-specific measures were developed. We propose to examine two domains in which self control is often threatened; maintaining healthy lifestyle and managing effective study habits. Both domains are clearly important, however, sustaining desired behavior in these domains over time requires self-control. According to our model, we expect individuals who tend, in general, to activate either intrinsic or extrinsic control mechanisms to report conducting specific behaviors (i.e. actions which reflect control mechanisms) in the attempt to fulfill their desired goals in both domains (i.e. maintain healthy life style and study effectively for exams).

### Method

*Participants*

Forty-two students participated in this study in exchange for course credit (Age$_{mean}$=24.5, two participants did not indicate age).

*Measures*

*Healthy lifestyle*. Participants were asked to assume that they have decided to adopt a healthier lifestyle, which means maintaining a healthy diet, working out on a regular basis, and ensuring physical health (e.g., taking vitamins, going for periodic medical checkups). Participants were then shown a list of nine statements that describe various ways of ensuring a healthy lifestyle. Participants were asked to indicate to what extent each statement describes them on a five-point scale ranging from (1)-does not describe me at all to (5)-describes me very much. Three items describe a behavior that can be perceived as activation of intrinsic mechanisms (e.g., "I will plan a weekly menu and eat according to it"); Three items describe a behavior that can be perceived as activation of extrinsic mechanisms (e.g., "I will convince a friend to eat healthfully so that we will encourage each other"); Three items describe healthy lifestyle behaviors without the aid of control mechanisms (e.g., "I will not obligate myself to a constrained diet, yet will do my best to eat in a balanced manner"). Accordingly, three indices were generated measuring healthy lifestyle behaviors by using intrinsic mechanisms, using extrinsic mechanisms, and without using control mechanisms. Items describing actions of intrinsic mechanisms for ensuring a healthy lifestyle were hypothesized to correlate positively with the DSC tendency to use intrinsic mechanisms index, and not with the DSC tendency to use extrinsic mechanisms index. The opposite was hypothesized for items describing actions of extrinsic mechanisms for ensuring a healthy lifestyle.

*Study habits*. Participants read the following introduction: "*Now that the semester is over and you are entering the exams period, think of how you plan to study for all of your exams during this period*". Participants were then shown a list of 15 items describing study habits. Five items measured ways of studying using intrinsic mechanisms (e.g., "I will prepare myself a time-table indicating dates of preparations for each exam."), five items measured ways of studying using extrinsic mechanisms (e.g., "I will find a study partner, which will make me study seriously"), and five items measured ways of studying without using control mechanisms (e.g., "I will study for each exam for as many days as I feel like"). Three indices were composed to measure study habits: using intrinsic mechanisms, using extrinsic mechanisms, or without using control mechanisms at all. The index of study habits using intrinsic mechanisms was hypothesized to correlate positively with the DSC tendency to use intrinsic mechanisms index, yet not with the DSC tendency to use extrinsic mechanisms index. Accordingly, it was hypothesized that study habits using extrinsic mechanisms would show the same pattern of results, yet with the DSC tendency to use extrinsic mechanisms.

### Results

*Healthy lifestyle*. The correlations between the healthy lifestyle behaviors and the tendency to use intrinsic or extrinsic control mechanism supported our hypotheses. The DSC tendency to use extrinsic control mechanisms index correlated positively with the healthy lifestyle behaviors using extrinsic mechanisms (r=.36, p=.02), did not correlated with the healthy lifestyle behaviors using intrinsic mechanisms (r=.22, n.s.) and correlated negatively with the healthy lifestyle behaviors without the use of control mechanisms (r=-.41, p<.01). The DSC tendency to use intrinsic control mechanisms index correlated positively with healthy lifestyle behaviors using intrinsic mechanisms (r=.49, p<.01), and did not correlate with healthy lifestyle behaviors using extrinsic mechanisms or with healthy lifestyle behaviors without the use of mechanisms (r=16, r=-.10, both n.s.).

*Study habits*. The correlations between the different study habits and the tendency to use each type of control mechanisms indices supported the hypotheses. The DSC tendency to use extrinsic control mechanisms index correlated positively with study habits that use extrinsic mechanisms (r=.41 p<0.01), did not correlate with study habits that use intrinsic mechanisms (r=.21, p=n.s.), and correlated negatively with study habits that do not use mechanisms (r=-.36, p<.05).

In contrast, the DSC tendency to use intrinsic control mechanisms index correlated positively with study habits that use intrinsic mechanisms (r=.61, p<.01), and did not correlate with study habits that use extrinsic mechanisms or with study habits that do not use mechanisms (r=.02, r=-.20, both n.s.).

# STUDY 4: HIGH VS. LOW SELF-CONTROL CONSUMERS AND PRODUCT HEALTH-RELATED ATTRIBUTES

Study 4 had a theoretical goal; to test the sensitivity of high verses low self-control individuals to health related product attributes and a methodological goal; to further test the predictive validity of the self-control measure.

The literature has shown that in general high self-control consumers are more health-concerned than low self control consumers; for example, high self-control consumers (low on impulsivity) tend to drink less alcohol and engaged less in binge eating (Kane et al. 2004), high self control individuals (low on procrastination) also tend to engage in general health related behaviors (Sirois 2004; Sirois, Melia-Gordon, and Pychyl 2003). High self-control consumers are more concerned with future goals such as maintaining healthy body and also have the ability to overcome temptations threatening the achievement of such goals. We therefore hypothesize that high self-control consumers will be more sensitive to health cues in products. That is, when a hedonic non-healthy product is improved and becomes healthier, high self-control participants will be responsive and express higher willingness to try it out than low self-control consumers. This and more, if the same improved (i.e. hedonic yet healthier) product is introduced with an added negative (i.e. non-healthy) attribute, high self-control consumers' willingness to try out the product will decline, while low self control consumers, who are less responsive to such health-related cues, will show no change in willingness to try the product.

## Method

### Participants

The study was conducted online. Two hundred and four participants participated in an online study in return for a chance to win a ruffle of 25$ amazon.com gift certificate (Age$_{mean}$=35.8).

### Measures and procedure

Participants were told they are part of a marketing survey testing consumers' evaluation of potentially new products. Participants were led to believe that in a continuing study the manufacture intends to send samples to interested consumers for a sample-tasting study.

Participants filled-out the self-control measure and were then introduced with the product description followed by attitude questions (e.g. whether the product is fun, healthy, will have marketing demand etc.). In the last question participants were asked how many samples they would like to get for trial, ranging from zero to eight. Participants read descriptions of two new and improved hedonic non-healthy products (i.e. coffee, ice-cream). The suggested new hedonic products were improved to become healthier (decaffeinated coffee, Trans-fat free ice-cream). We manipulated the products attributes; in the control condition participants received a description of the healthier hedonic product. In the manipulation condition participants received the same description as the control yet we added a sentence mentioning a non-healthy attribute. In the coffee description participants were told the coffee might damage their teeth florid resistance. In the ice cream description participants were told it has relative high amounts of monosodium glutamate. After reading the description, participants were asked to indicate how many samples would they like sent to them for trial on a scale of 0 (none) to 8 (samples). We hypothesized that when the hedonic-non-healthy product became healthier (control condition), high self-control participants will want more samples then low self-control participants. However, when a negative attribute is added (negative value condition) high self-control participants will want less samples than in the control condition. Among low self-control participants there will be no difference between the control and the manipulation condition.

## Results

*Decaffeinated coffee.* Participants' self-control levels were computed and each participant was classified as either high or low in self-control based on a median split (the scale's internal reliability was .79). We ran a 2(self-control) X 2(product attribute condition) ANOVA (see figure 2). Results show a significant main effect for the product condition (F(1,201)=8.5, p<.01), such that the merely improved coffee (control condition) was preferred over the improved coffee with the additional negative attribute (manipulation condition). In addition results show no significant main effect for self-control (F(1,201)=.69, p>.05) and as hypothesized, a significant interaction (F=1,201)=6.65, p<.01). In the control condition, where the description was of an improved decaffeinated coffee, high self-control participants requested more samples (m=5.53) than high self-control participants in the manipulation condition, where the description included a none-healthy attribute (i.e. damage to teeth florid resistance) (m=3.22). Low self-control participants however, did not differ in the number of samples requested across the two conditions (m=4.1, 3.96, for the control and manipulation conditions, respectively).

*Trans-fat free ice-cream.* Since ice cream is a fattening product, we filtered out participants on diet; the remaining sample included 163 participants. We ran a 2 (self-control) X 2 (product attribute condition) ANOVA (see figure 2). Results show a significant main effect for the product condition (F (1,163) =3.93, p<.05), such that overall the improved and healthier ice-cream (control condition) was preferred over the improved ice-cream with an additional negative attribute (manipulation condition). In addition, results show no significant main effect for self-control (F(1,163)=.21, p>.05) and a marginally significant interaction (F=1,163)=2.90, p=.09). In the control condition, high self-control participants requested more samples (m=5.64) than high self-control participants in the manipulation condition, where the description included a none-healthy attribute (i.e. monosodium glutamate) (m=3.98). However, low self-control participants did not indicate a significant different number of samples across the two conditions (m=5.08, 4.95, for the control and manipulation conditions, respectively).

## GENERAL DISCUSSION

The purpose of this research is to suggest a theoretical model which views self-control as a process individuals go through whenever they are faced with a temptation. In addition, its objective is to present a scale that measures various levels of self-control as a stable disposition, and can be applied to a wide range of situations.

We propose self-control to be a dynamic process. The self-control process begins when an individual faces impulsiveness or procrastination temptations, experiences an inner struggle between yielding to and overcoming the temptations, and then allocates personal resources to overcome the temptations. The model further distinguishes between two ways of yielding to or overcoming temptations: One describes either extremely high or extremely low self-control individuals, who immediately either overcome or yield to the temptation respectively. The other describes individuals who are not extreme in self-control, and take certain actions called control mechanisms to try and overcome the temptation. We further propose two distinguished types of control mechanisms: intrinsic mechanisms which are self-thoughts and self-actions that one takes to overcome a temptation, while extrinsic mechanisms are actions that address others and seek their help in overcoming the temptation.

**FIGURE 2**
Number of coffee (right) and ice-cream (left) samples requested
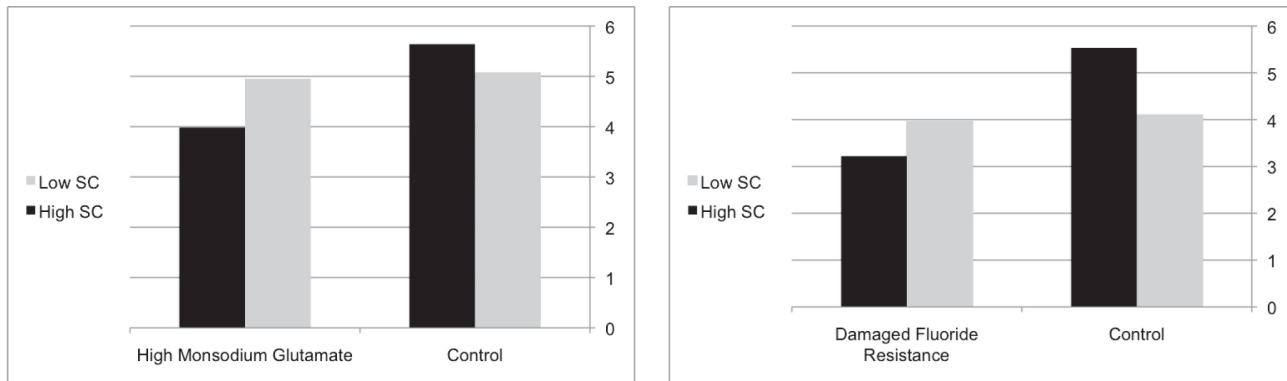


In four studies we examined the proposed model using a new scale measuring dispositional self-control (the DSC). The SSA map (Study 1) presented a structure that supported the distinction between the two types of temptations—impulsiveness and procrastination—as well as introduced the continuum of the self-control disposition. Items measuring yielding to temptations (i.e., low self-control) emerged the furthest from items measuring overcoming temptations (i.e., high self-control); whereas items measuring the tendency to activate intrinsic and extrinsic control mechanisms (i.e., the mid-levels of self-control) emerged in the center of the map between the two extreme levels. We tested the DSC relationships with relevant traits such as the Five Factor Trait Model, the general procrastination trait, the general impulsiveness trait, the buying impulsiveness scale, the frugality scale and the self-consciousness scale (Study 2) using varied samples of both students and non-students participants. We further supported our model by testing the distinctiveness between the tendencies to use intrinsic verses extrinsic mechanisms (Study 3). The two tendencies were related to different healthy lifestyle and study habits behaviors. Finally, we tested whether high verses low self-control consumers are more sensitive to health-related attributes of hedonic non-healthy products and by that also tested the predictive validity of the DSC (Study 4). We show that high self-control in comparison to low self-control consumers requested more product samples when a hedonic-non healthy product was introduced as improved and healthier, however when a negative attribute was added (i.e. a non-healthy attribute) high self-control's product samples requests declined while low self-control's product sample–did not change.

The proposed dynamic model of self-control pursues previous research directions on self-control and advances them in several ways: First, by proposing that self-control be perceived as a dynamic process. As such, different individual can experience the self-control process differently. Thus for example, the extensiveness of the temptation can vary among individuals resulting in a varied amount of personal resources needed to extract self-control. Also, the degree to which one experiences an inner-conflict can also vary across people resulting in different struggle-resolving actions taken–such as control mechanisms. Second, by integrating two bodies of literature and proposing that impulsiveness and procrastination are two mirroring responses to temptations that stand in the way of self-control. Third, by suggesting that individuals who are extremely high (low) in self-control overcome (yield to) temptations immediately, whereas individuals who lie "mid-scale" tend to activate intrinsic or extrinsic control mechanisms to achieve self-control. Finally, the DSC scale is a context-free scale adequate for use across various situations, as well as to distinct between extremely high or low self-control individuals and those who tend to use control mechanisms.

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## APPENDIX A
The Dispositional Self-Control Scale (DSC)

Overcoming impulsive temptation
I usually succeed in overcoming temptations.
Usually, when something tempts me, I manage to resist.
Even when something exciting happens to me, I do not get carried away by my feelings or act without thinking.
Even when stressed, most of the decisions I make are considered and calculated.
I rarely act impulsively.

Overcoming procrastination temptations
I am able to work effectively toward long-term goals, while resisting temptations along the way.
People can trust me to stay on schedule even if I am busy and under a lot of pressure.
It is important for me to finish all of my tasks on time, even if I do not feel like doing them.
I never delay work that needs to be done, even if I am busy.
I tend to finish assignments right away, even if they are unpleasant.

Yielding to impulsive temptations (reverse score)
I do many things on the spur of the moment.
People say I often make up my mind without thinking things through.
I often act without thinking through all of the alternatives.
I often make spontaneous and rather hasty decisions.

Yielding to procrastination temptations (reverse score)
I tend to postpone completing unpleasant tasks.
When I need to run errands, I usually put them off until the last minute.
I sometimes postpone tasks that I have to do until it is almost too.

 The tendency to use extrinsic mechanisms
Sometimes I use others to obligate myself to keep on schedule.
At times, I ask a friend or relative to make sure I will not be tempted by something I really feel like doing.
When I have an urge I find hard to resist, I look for a framework that will help me resist it.

The tendency to use intrinsic mechanisms
In order to perform an important yet unpleasant task, I imagine how good I will feel afterwards.
When I fear I might put off a difficult task, I designate myself interim due dates for completion of various stages of the task.
Sometimes, I manage to resist temptation by compensating myself in some way.

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# "I Can Do It!" Consumer Coping and Poverty

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## ABSTRACT

This paper focuses on coping with poverty and the impact of coping strategies on individual lives, concentrating on lone mothers. The women in this study gain a sense of achievement from their ability to "manage" and place great emphasis on being a good mother, thereby fighting against the negative discourse often associated with lone motherhood. It is suggested that coping strategies can be interpreted as acts of consumer agency that can result in consumer empowerment. In contrast with the bleak portrayal of the poor in prior research, we suggest that coping strategies can be instrumental in creating a positive identity.

This paper offers a fresh perspective to the work being done by consumer researchers in the poverty domain. Hill and Stephens' (1997) model of impoverished consumer behavior identified three main areas of research interest in low-income consumers, namely exchange restrictions, consequences of disadvantage and strategies for coping with disadvantage. The model suggests that poor consumers face exchange restrictions that limit their ability to acquire needed and desired goods and services. The consequences of these restrictions are typically negative and include alienation from the consumer culture, feelings of lost control and poor health. Consumers respond to these consequences with emotional and behavioral coping strategies.

This paper aims to advance beyond this model by examining the ways in which coping with poverty can have a positive impact on consumer identity. From the psychology discipline, it is recognized that there is a need to study coping processes and outcomes independently (Lazarus and Folkman 1984). Previous research has presented a bleak portrayal of poor consumers. In contrast, we demonstrate that the employment of coping strategies can be instrumental in creating a positive self identity and has important implications for consumer empowerment and consumer agency.

We begin by reviewing the relevant literature on consumer coping. This is followed by a methodology section outlining the data collection methods. The findings are then presented; first we provide an overview of the variety of coping strategies employed, and second we examine the consequences of these coping strategies. We conclude by highlighting the importance of moving beyond the identification of coping strategies to consider the impact that these can have on the individual.

## CONSUMER COPING

The psychology literature often provides the theoretical framework for coping studies within consumer research. Coping can be defined as, "*constantly changing cognitive and behavioral efforts to manage specific external and/or internal demands that are appraised as taxing or exceeding the resources of the person*" (Lazarus and Folkman 1984, 141). Coping has two major functions, namely, regulating stressful emotional situations and altering the troubled person-environment relation causing the distress. These functions are often referred to as emotion-focused coping and problem-focused coping respectively (Lazarus and Folkman 1984). Emotion-focused forms of coping are common in encounters appraised as unchangeable or uncontrollable while problem-focused forms of coping are used in encounters that are appraised as changeable or controllable (Carver, Scheier and Weintraub 1989).

In the consumption context, coping illustrates how consumers react to perceived marketplace discrimination (Crockett, Grier, and Williams 2003). Such studies have been relatively limited and little research has investigated how consumers cope with negative consumption-related experiences (Yi and Baumgartner 2004). Consequently, there is still potential for increased theoretical contributions concerning the intersection between coping and consumer behavior (Duhachek 2005).

Similar to the current research, there has been some research interest in the coping strategies of disadvantaged or vulnerable consumer groups. These include poor children (Hill 1992); racial minorities (Crockett, Grier, and Williams 2003); older consumers (Mathur, Moschis and Lee 1999); those with serious illnesses (Pavia and Mason 2004); and illiterate consumers (Vismanathan, Rosa and Harris 2005). Given that disadvantaged consumers may face marketplace discrimination (Andreasen 1975), coping strategies may be more of a necessity for these groups.

Another area of research interest is the effect of consumers' dispositions on coping strategies and whether consumer personality traits have an impact on coping. Sujan et al. (1999) examined the role of consumer self-efficacy and concluded that perceived confidence as a consumer enables a wider range of coping strategies. Mathur, Moschis and Lee (1999) found that older adults with low self-esteem are more likely to engage in strategies aimed at reducing emotional distress, rather than direct attempts to alter the situation. Duhachek and Iacobucci (2005) also found evidence for personality-based differences in consumer coping and suggested that consumer assertiveness, marketing mavenism and extraversion influence consumers' choices of coping strategies. Lazarus and Folkman (1984) pioneered the importance of a process-oriented approach to studying how people cope with stress. In this case, coping must be based on both the environmental situation and the personality of the individual. Unlike a coping style which assumes consistency across stressors, the choice of strategy in coping processes is a function of the social context (Aldwin 1994).

While many of the consumer research studies on coping are context-specific, some researchers have focused more on the construct level by discussing generalized coping responses to a variety of consumption-related problems (Duhachek 2005; Yi and Baumgartner 2004). Importantly, Duhachek's (2005) multidimensional model of consumer coping not only includes a typology of coping strategies, but also antecedents and coping consequences. It recognizes that initial coping responses are affected by an interplay of emotions and cognitions (consumer perceptions and evaluation of the situation). Coping responses affect successive emotions and cognitions which, in turn, affect subsequent coping and so forth. This highlights the iterative nature of coping processes. The model also suggests that the ultimate aim of coping is the amelioration of stress.

Research suggests that low-income consumers often show great skills in exploiting their environment to exert some control within their lives and adapt to the financial realities with which they are faced (Alwitt and Donley 1996; Hill and Stephens 1997). Within consumer research, Ronald Paul Hill is the main contributor to the coping with poverty literature. In their model of impoverished consumer behaviour, Hill and Stephens (1997) categorize coping strategies as either emotional or behavioral. Although both psy-

chologists and consumer researchers have criticized such a division for being overly simplistic (Carver et al. 1989; Duhachek 2005), it provides a useful way of presenting the literature.

Emotional coping strategies include distancing or fantasizing about a better future (Hill and Stephens 1997). Hill and Stamey (1990) found that distancing is particularly relevant to the homeless, as they use both associational and institutional distancing to distinguish themselves from more dependent peers and to demonstrate how they live independently by their own resources rather than under the control of welfare institutions. Fantasies about future home lives are used to reduce the stress associated with current circumstances (Hill 1991) and replace the threat with a more acceptable form of reality (Breakwell 1986). Poor children have been found to make use of fantasy to escape from their mundane lives (Hill 1992).

A behavioral coping strategy that may be employed is obtaining illicit income from black market activities (Hill and Stephens 1997). Fryer (2005) pointed out that low-income consumers view these activities as constituting a reciprocal exchange relationship because, unlike unemployment benefit, money earned from the black economy is felt to be legitimate, as payment is given in exchange for work. Illicit income can be generated through either legal (child minding) or illegal (prostitution) activities.

Kempson, Bryson, and Rowlingson (1994) examined the circumstances and experiences of seventy-four families with children, living on very low incomes. They found that low-income consumers adopt a number of behavioral coping strategies including maximizing income, managing the family budget, obtaining financial help from others and making use of consumer credit. Families were allocated to one of four categories depending on the effectiveness of coping strategies; *keeping their heads above water* (families who were balancing their budget over time), *sinking* (families who had been making ends meet but were getting into financial difficulty and falling into arrears with bills), *struggling to the surface* (families who were in multiple arrears but were reducing the amounts owed to creditors) and *drowning* (families who saw themselves as struggling to make ends meet, had been in multiple arrears for some time and saw no prospect of things getting easier).

## METHODOLOGY

In line with other consumer researchers (Darley and Johnson 1985), this study adopted a relative perspective on poverty and defined low-income consumers as lacking the resources necessary to participate in the normal customs of their society. However, to aid the selection of families, and because this research was conducted in the UK, the results of the Poverty and Social Exclusion Survey of Britain (Gordon et al. 2000) were used as a guideline. This survey indicated that the income after tax needed each week to escape overall poverty averaged £239 for all households. Most of the families in the study were on incomes under £200 per week. The respondents are in less severe forms of poverty than the homeless consumers considered in previous research (Hill 1991). Rather they are considered poor in the context of a consumer society.

Purposeful sampling was used for this project, which involves the selection of information-rich cases that are used to provide in-depth information that is relevant to the purpose of the research. Some 30 families (all households included at least one child under the age of 18) were included in the study. In this paper we focus on the 24 lone mothers. In-depth interviews were the main source of data collection. In 16 families, the mother was interviewed alone and in 8 families it was possible to arrange an interview with the mother and her children (aged 11 to 18). Given the private and personal nature of the research, interviews were carried out in respondents' homes to ensure a familiar and comfortable environ-

ment. Families were selected from urban areas and included both employed and unemployed respondents. Employed parents were working in low-paid jobs. Despite the family approach, for the purposes of this paper, the main contribution relates to the individual as we focus specifically on the lone mothers in relation to their approach to motherhood. Details of respondents that are referred to in the findings section can be found in table 1.

Hermeneutics was used to interpret the data. This is an iterative process, *"in which a "part" of the qualitative data (or text) is interpreted and reinterpreted in relation to the developing sense of the "whole""* (Thompson, Pollio and Locander 1994, 433). These iterations allow a holistic understanding to develop over time, as initial understandings are modified as new information emerges. First, each individual interview was interpreted. Secondly, separate interviews were related to each other and common patterns identified.

## FINDINGS

The findings are organized into two sections. First an overview of the coping strategies employed by these consumers is presented and second, we examine the consequences of these coping strategies.

### Overview of Coping Strategies

Findings reveal that low-income consumers employ a variety of coping strategies to help them deal with and reduce the negative consequences that arise from their disadvantaged position in the marketplace. Not all strategies are used by all respondents, rather, consumers act in ways that they perceive to be the most fitting for their circumstances. Although both emotional and behavioral strategies were employed, due to length constraints, we focus here on behavioral strategies only.

Behavioral coping strategies are extremely varied and include engaging in price comparisons, turning to the alternative sector (both the second-hand market and alternative financial sector), shopping in discount stores, searching for bargains and using products and brands in unexpected and creative ways. Some respondents avoid credit, preferring to operate on a cash-only basis and others are forced to sell possessions to raise resources. Some respondents engage in strategies that may appear irrational to more affluent consumers, such as illicit income and alcohol consumption. Some believe that welfare is the best option and consequently do not search for employment.

At the family level, many of the coping strategies are aimed at minimizing the negative consequences of poverty for children, with many mothers suggesting that family consumption is structured around children. Some mothers suggest that their own lives are on hold until children are older. Equally, in some families children play an active role in coping with financial constraints and are effective in contributing to the family's united coping effort, either through a direct financial contribution to the household or indirectly, by reducing the pressure placed on mothers.

In many families, coping strategies are not only confined to the immediate family, but span across the extended family and community network. Many respondents discuss the reciprocal nature of support, as evidenced through the sharing of resources to ensure day-to-day survival. These community level support networks provide both emotional and tangible (financial and non-financial) benefits and range from support with child minding to the completion of DIY tasks to spending special events together.

Overall, respondents appeared to be effective at conditioning themselves by learning to adapt their spending in line with financial incomings:

**TABLE 1**
Respondent Details

| Pseudonym (age) | Interview Type | Weekly Income | No. of children | Employment |
|---|---|---|---|---|
| Sarah (46), Martin (15), Ella (13) & Linda (11) | Mother, 1 son, 2 daughters | £160 | 6 (aged 25, 20, 16,15, 13, 11) | unemployed |
| Zoe (43) & Jenny (16) | Mother & daughter | £99 | 2 (aged 19, 16) | unemployed |
| Catherine (40) & Samantha (15) | Mother & daughter | £146 | 3 (aged 19, 17, 15) | unemployed |
| Clare (25) | Individual | £250 | 1 (aged 7) | Part time youth worker, part time student |
| Melissa (31) | Individual | £206 | 5 (aged 7, 6, 3, 2, 2) | unemployed |
| Eva (45) | Individual | £110.50 | 3 (aged 25, 21, 12) | unemployed |
| Louise (25) | Individual | £100 | 1 (aged 5) | unemployed |
| Amy (23) | Individual | £180 | 1 (aged 2) | unemployed with voluntary work |
| Julie (24) | Individual | £144 | 1 (aged 5) | full time student |
| Nina (23) | Individual | £140 | 1 (aged 4) | full time student, part-time bar work |
| Rebecca (23) | Individual | £185 | 2 (aged 5, 10 months) | unemployed |

Melissa: *"You get conditioned into going with the flow."*
Louise: *"I think anyway no matter what you have you adapt your spending to what you have coming in."*

We now move on to consider the impact of these coping strategies and the positive consequences arising from this conditioning process.

**Consequences of Successful Coping**

This section moves beyond identifying coping strategies to consider the role and impact of such strategies on individual lives. First we emphasize the connection between successful coping and perceptions of motherhood. Second, we consider the issue of independence and third, we suggest that many of the lone mothers are content with their lifestyles.

**"Am I going to be a good enough mother?"**

One of the over-riding aims behind all of the coping efforts employed was the protection of children, something that the mothers take great pride in. The respondents took their parental role very seriously and the majority of mothers were not in paid work, instead devoting much of their energy to the role of motherhood and, in particular, being a good mother. For the respondents in the study, good motherhood meant placing the needs of their children before their own, ensuring children have the material resources necessary to 'fit in' with their peers and keeping children safe and from external harm.

Amy places great emphasis on being a good mother:

Amy: "*now that the baby is starting to grow I wonder am I going to be able to afford everything that he wants? Am I going to be a good enough mother?*"

When asked about hopes for the future, Amy's reply is centered on providing for her son. Amy comes from a troubled background and spent time "in care." She makes great efforts to ensure that her son has a better childhood than she had herself.

"*you have to understand that for a lot of my life I was going through a shitty time and I didn't want to live so I just take it day by day and don't try and see too far into the future. What I do want is that me and my baby are comfortable and he has all the things that he needs, even clothes, water, heating and I'd be happy with that.*"

As others have noted (Daly and Leonard 2002), money is the lens through which the poor view their worlds. Some respondents indicate that being a good mother can be constrained by a lack of financial resources, but it is not dependent on them. In other words, adequate financial resources can ease the burden of being a good mother whereas lack of adequate resources requires a degree of consumer resourcefulness to fulfill good mothering requirements.

Previous literature on consumer disadvantage and poverty does not adequately recognize the role of other members of society

in enhancing the problems of poor consumers. Many respondents commented that they encountered stigma from others:

> Julie: "*there is a lot of emphasis on money but that's because of the way we are all brought up. Society is just geared to getting that job… you are expected to have the house and the car so you are pretty much judged. Single parents are judged a lot and it really annoys me.*"

This judgment sometimes means that lone parents feel they have more to prove in terms of being good mothers. Motherhood is an important reflection of one's identity (Curasi, Hogg and Maclaran 2004) and being a 'good mother' helps build self-esteem in an era where welfare mothers (US) or lone mothers on benefits (UK) are stigmatized and are more likely to be associated with 'bad' parenting (McCormack 2005). Some respondents saw motherhood as a job in itself and enjoyed spending time with their children rather than seeking paid employment. To illustrate, when Sarah was asked about employment, she replied "*I'm a mummy…I reared 6 of them, that's enough for anybody.*"

### "I'm a very independent person"

Some previous research on coping with poverty presents a bleak image. The terminology that has previously been used to describe low-income families associated with sinking and drowning reinforces this idea (Kempson et al. 1994). Although it cannot be denied that life can be a struggle for low-income consumers, findings demonstrate that some make active attempts to maximize opportunities. This research has demonstrated that coping efforts may be empowering and can result in positive effects on self-esteem.

> Clare: "*I'm raising him on my own and I work to support him and I support myself at university as well. I try to balance things out, it is quite balanced, I have time to work, I have time to be a Mummy and study at the same time.*"
> Julie: "*I've had to really work for what I've got and at times get into hard amounts of debt and a lot of stuff that I have got is all through me, no-one else. My parents aren't supportive at all. I've had to save for everything that I've got so I appreciate money a lot more… sometimes I would go to bed and just think, oh my God, how did you get through all that, it amazes me how I can find the money to pay for some of the bills that I have.*"

Some respondents are rightly proud of their ability to "manage." As the above comment from Julie illustrates, remaining independent can have a positive impact on self-identity through the sense of achievement gained from coping with difficult circumstances and fulfilling the mothering role. Others also supported this view.

> Amy: "*I'm a very independent person, I've been living on my own since I've been 16 so anything I've ever done, it has all been put up by me or put together by me. I would never have anybody turn around and say that I owe them anything.*"
> Melissa: "*Sometimes it's good not to be depending on anybody else…I mean I'm one of these people who has to get on with things, even when I'm struggling I have to get on with things.*"

It is interesting that many of the respondents who placed emphasis on independence were in their early 20s and relatively young

mothers themselves. This was a great source of self-esteem, especially in societies that often condemn the irresponsibility of early lone motherhood, and gave these mothers control over certain aspects of their lives when they lack control in so many other areas. Indeed control was a central issue for many respondents. This is illustrated effectively in the following comment by Zoe:

> "*If you can change it, it's up to you to change it, no one can change it for you. And if you see something you want and you really want it you'll get it if you have to wait six months to save enough money you'll do it. It depends how determined you are.*"

### "I'm surviving and I'm living too"

In our consumer culture, money is often equated with happiness (Ahuvia and Friedman 1998). However, some respondents provide evidence that contradicts with this idea. Although psychologists study coping to understand how different responses relate to well-being (Aldwin 1994), consumer research on poverty has not gone past identifying strategies employed. When asked to sum up their lifestyles, many respondents indicated that they were happy.

> Nina: "*I'm lucky because I'm at university and I can spend a lot of time with my daughter so my lifestyle at the minute would be easy going. It's a good lifestyle, I enjoy my life and I have a good quality of life.*"
> Rebecca: "*we manage…I'm happy enough and we manage ok, we're not like some people who are really struggling you know what I mean, I'd like to think I've done ok out of the money that I have to live on.*"

Rebecca's comment that her family is not like those that are "*really struggling*" highlights an important point in that some respondents feel that they are in better situations than others. It is comforting for these consumers to know that there are others who are in worse positions than they are:

> Catherine: *[my lifestyle is] basic, pretty basic but I'm surviving and I'm living too. I'm not going without anything so I'm not. You actually do get there in the end, there's times you cry, times you laugh. If you get involved with other groups and other people who are all in the same position as you, you think my story is not half as bad as their story and you think what am I so down for?*
> Eva: *with Christmas coming I'd worry a bit about it….I'll say to myself it could be worse… there's somebody somewhere worse than me so I'm not too bad that way.*

These downward comparisons are another way of enhancing self-identity. The knowledge that there are people in more severe financial difficulties and that there are others further down the income ladder reduces respondents' feelings of dissatisfaction with their own situations, similar to the distancing strategy identified by Hill and Stamey (1990). Therefore, despite the fact that these respondents are living in poverty (Gordon et al. 2000), they remain happy with their quality of life and gain a sense of well-being from employing effective survival strategies.

### DISCUSSION: COPING CONSEQUENCES

As well as portraying the diversity of coping strategies employed by low-income consumers, one of the main aims of this paper was to consider the consequences of these strategies. Previous research has highlighted that low-income consumers lack

control in their lives. For example, Andreasen (1993) highlighted how fraudulent sales practices can affect pride, confidence and sense of self-worth. Hill and Stephens (1997) found that requirements to divulge private information in exchange for welfare benefits increased feelings of lost control. Additionally, even on occasions when low-income consumers do have a choice, they will often have limited alternatives from which to choose and may be forced to decide between two necessary items of expenditures (Cohen et al. 1992). As Kempson (1996) pointed out, poor consumers have the choice between going without essentials to pay bills and avoid having to use credit or juggling bills, and using credit to avoid going without essentials. Indeed, given the imbalance in the exchange relationship it is unsurprising that the poor believe they are powerless and their lives are controlled by external events (Alwitt and Donley 1996).

Henry (2005) suggested that perceptions of relative power effect self-worth evaluations. Consequently, limited financial resources combined with a lower status evaluation due to judgments from others may inhibit empowerment. However results from this study provide a more positive outlook.

Respondents recognized that public perceptions of lone mothers are often negative and fought against this discourse. McCormack (2005, 660) pointed out that: "The phrase 'welfare mother' is one in which the adjective, 'welfare', modifies the noun in such a way that it turns its meaning upside down. It is different from 'working mother', 'stay-at-home mother', or 'soccer mom', all phrases that specify ways of doing motherhood … but do not fundamentally alter the meaning of the term 'mother'". The welfare mother is stigmatized as non-productive by living on benefits, however, for some of the women in this study, motherhood is perceived as a job and a personal choice.

The desire to protect children ties in with the idea of being a good parent and all mothers were equally committed to ensuring that poverty did not lead to "poor" parenting skills. Respondents took great pride in the fact that they were successfully raising children alone and being independent was an important source of self-esteem. Being a smart shopper was something respondents were keen to illustrate through telling stories of successful bargain hunting activities. Previous research also confirms the link between financial independence and self-esteem (Edin and Lein 1997; Kempson et al. 1994). This may appear paradoxical to outsiders who might argue that these women are far from independent given their reliance on government support. However, for many respondents, independence was defined as not receiving financial help from their children's fathers. Also paradoxically, some of the activities that these parents engaged in did not correspond with a good mother ideology. For example, the desire to please children often lead to unhealthy food choices and some mothers turned to illicit income in order to meet children's requests. Nevertheless, coping strategies did create consumer empowerment and had a positive impact on self-concepts. Kochuyt (2004) reported similar findings in his study of poor families in Belgium and suggested that, for the unemployed, being a caring parent provides an identity that is worthy of public esteem.

Hill and Stephens' (1997) model implied that there is a linear chronological order to exchange restrictions, consequences and coping strategies. However, this research suggests that a linear approach may not provide a realistic portrayal of reality. To illustrate, the model implies that coping strategies are employed only after negative consequences arise. It is likely, however, that coping strategies will also be employed before negative consequences occur in an effort to reduce or avoid their severity. Consumers can be proactive in their efforts to manage difficult situa-

tions, a fact that is often understated in the coping literature. Such coping strategies can be interpreted as acts of consumer agency as they involve efforts carried out in the family's best interests to improve its situation.

Discussions on consumer agency tend to consider how consumer agency impacts on or influences the marketing system at large (for example, Holt 2002). Such an emphasis neglects how such agency affects the perpetrator at an individual level. If agency is carried out in the interests of the individual, its impact on that person and their personal space should not be neglected. In the case of the low-income consumer, agency can have a significant impact on individual lives. The underlying motives driving the employment of coping strategies are reducing financial disadvantage and social exclusion and, in extreme cases, survival. Given that the acts of agency exhibited by low-income consumers have transformatory potential, their impact should be measured in private spheres.

Coping must therefore be viewed as an iterative process. A focus on coping strategies alone may obscure important insights that may be gained from examining the impact of these strategies on the individual and the family. Additionally, as much of the research on coping strategies relates to vulnerable or disadvantaged consumers, research of this nature may help to challenge stereotypes that persist about these groups.

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# Examining Non-Medical Service Needs of Women Living with HIV/AIDS

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## ABSTRACT

This exploratory study examines non-medical support services for HIV-positive women in Australia, with the aim of understanding their long term consumption needs. Interviews were conducted with three HIV-positive women, eight medical practitioners who specialize in treating HIV/AIDS, and four HIV-positive women advocates. Analysis of the data provided three key themes that are vital in the design and delivery of non-medical support services: counseling, sexual orientation and peer support. Findings reveal agreement about the increasing importance of non-medical support services to the well-being of HIV-positive women.

## INTRODUCTION

The academic community has increasingly identified the need for transformative consumer research that attempts to alleviate the stress and suffering of vulnerable consumers in the modern world (Mick, 2006). Topics with the ultimate goal of enhancing consumer welfare are considered imperative in the field of consumer research. As Sheth and Sisodia (2006) state:

"Marketers should think of themselves as "healers;" after all, their job is to meet the functional and psychological needs of their customers, and leave them satisfied and even delighted. They should adopt this perspective at the individual as well as the societal level".

One particularly vulnerable market segment consists of individuals suffering from HIV/AIDS. Due to recent medical advancements, people living with HIV/AIDS (PLWHA) are managing to continue working, have relationships, and start families; in effect they are maintaining aspects of a pre-HIV life. This gives rise to a new segment of consumer whose needs are not fully met through traditional medical avenues and who, instead, require support services that provide both medical and non-medical assistance. To date, little investigation has been conducted on this emerging segment of consumers, and none has focused attention on the needs of women living with HIV/AIDS (Ciambrone, 2001).

Thus, this exploratory study was initiated to address the following research objectives:

- to determine the unmet needs of HIV-positive women;
- to determine the perceptions and attitudes of other key stakeholders towards existing support services (medical practitioners and HIV-positive women advocates);
- to identify the perceived barriers to HIV-positive women consuming non-medical support services.

Theoretically, this study is grounded in the emerging marketing paradigm known as the 'service-centered model of exchange' (Vargo and Lusch, 2004) and specifically applies the approach to the context of HIV-positive women. At its root, the conceptual foundation of this theoretical position is to promote the importance of taking into account all *relational* interactions (Vargo and Lusch, 2004) in the exchange transactions associated with non-medical support services delivery to these women.

Greater effectiveness in reaching the growing number of Australian women with HIV/AIDS will assist in maximizing good health for longer periods, minimizing discrimination and reducing the stigma associated with HIV/AIDS, thereby enhancing the well-being of people living with the debilitating condition.

## BACKGROUND OF THE STUDY

An increasing proportion of people living with HIV in Australia are heterosexual females. A significant rise in new HIV notifications among women occurred between 1999 and 2004 with the latest available figures revealing approximately 2000 registered HIV-positive women in Australia (NCHECR, 2004). Significantly, however, infections among women do not pertain to an identifiable age or risk group (NCHECR, 2004) and consequently, the specific needs of individual women vary considerably. The main issues that affect the quality of life of HIV-positive people can be examined from three different perspectives.

### 1: Living with HIV and adherence to HAART (Highly Active Antiretroviral Therapy)

The success of antiretroviral treatments has transformed HIV from being a fatal illness to a permanent but manageable health condition (Kennedy et al., 2004). Indeed, one of the main challenges for PLWHA is adhering to the strict antiretroviral drugs regime.

Previous research has indicated that an individual's psychological state can have a significant effect on their adherence to this treatment regime. Alfonso et al (2006) demonstrated that distressing emotions impacted significantly on a large number of participants' decision to take HAART, and a survey conducted by the Australian Federation of AIDS Organizations (AFAO) in 2006 revealed that women are less likely than men to take antiretroviral or prophylactic (preventative) treatments for HIV. Similarly, research conducted by Cook et al. (2006) revealed that women struggling to cope with high levels of depressive symptoms are less likely to initiate or continue treatment using HAART.

### 2: HIV and stigma

People who acquire HIV differ significantly from people with other chronic or terminal illnesses in terms of how they cope with medical, social, economic and personal pressures. Feelings of guilt at becoming infected and fear of disclosing their status due to the perceived risks of being stigmatized and marginalized in society are unique for PLWHA and influence almost every aspect of their lives (Molassiotis et al., 2002).

Gender difference also plays a significant role in relation to stigma felt by PLWHA. For example, women are inclined to feel victimized if the infection is caused by unprotected sex with men who did not divulge their HIV status (Lichtenstein et al., 2002).

### 3: HIV and Support Services

Increased rates of life expectancy (following initial HIV-positive diagnosis) mean that those infected are now facing a different set of challenges that centre on how to live with HIV. In particular, the health care system, community care networks or

other agencies, now need to develop strategies to provide adequate assistance for people with an HIV-positive diagnosis in order to help them maintain good mental health and remain independent and productive members of the community for as long as possible. These circumstances raise questions as to the accessibility and relevance of available support services, which have been primarily designed for homosexually active men and injecting drug users.

In the peak years of the HIV/AIDS epidemic, it was the gay community that was predominantly afflicted. The spread of HIV/AIDS to other groups, however, has necessitated some urgency in establishing organizations that accommodate the needs of a more demographically diverse population. People outside of the gay community and other cultural groups identified in the earlier stages of the epidemic (eg needle users, sex workers) often lack the various forms of emotional, economic and political support that are required to promote resilient attitudes. They also tend to be susceptible to a higher degree of isolation, stigma and marginalization.

Women, in particular, are marginalized within the Australian HIV population and have few support resources available to them *en masse*. This is because the specific needs of women vary considerably depending on their current health condition, family status, financial situation and their degree of emotional fulfillment.

A substantial body of research in mental health provides evidence that use of social support services has the potential to reduce levels of stress and risk behavior (Bruce et al., 2002, Waddell and Messeri, 2006) . Findings from Tsunekawa et al (2004) demonstrate that positive attitude changes occur when PLWHA encounter others who share the same burden. However, while many studies emphasize that peer support and participation in social groups enables HIV-positive people to reinforce their coping skills, restore emotional balance and increase self-esteem (Molassiotis et al., 2002, Bruce et al., 2002), only one study conducted in the United States pointed out that many people diagnosed with HIV do not receive regular support (Uphold and Mkanta, 2005).

Within Australia, there is only one non-governmental HIV group that currently targets women's needs. 'Positive Women,' which is based in Victoria, is the only organization with a mission to solely address the needs of HIV-positive women. The organization offers a limited range of information resources and services, such as a drop-in service, hospital and home visits, access to funding for personal development, and food vouchers.

In summary, an overview of academic and practitioner literature in the area of HIV support services leads us to conclude that, to date, there are no well grounded programs or soundly designed strategies for tailoring support services to HIV-positive people in general and women in particular.

## RESEARCH METHOD

This project has discovery-oriented goals and employs a qualitative approach for the data collection process. The sensitive nature of this study, the ability to guarantee confidentiality to respondents and the desire to make the research as participatory as possible require a face-to-face, individual approach from the researcher. For this purpose our research methodology adopts a grounded theory approach (Strauss and Corbin, 1998) embedded within a constructivist paradigm (Denzin and Lincoln, 2005) in which the data collection method is informal, based on semi-structured in-depth interviews (Strauss and Corbin, 1998) and complemented by observation and recording of field notes (Marshall and Rossman, 1999). The research employs the purposive (or judgment) sampling techniques (Albright, 2002). Interviewing the three groups of primary stakeholders (Wheeler and Sillanpää,

1997)–HIV-positive women, medical practitioners and women advocates-allows us to build a more holistic picture and gain greater appreciation of various perspectives on designing non-medical support services for HIV-positive women.

### Interview schedule

The interview schedule was developed using an adaptation of the service-centered model (Vargo and Lusch, 2004) as a framework and employed a semi-structured approach.

The semi-structured interviews lasted around one hour and were conducted at a place selected as convenient for the informants. All interviews were audio taped after written consent was granted.

Data analysis was performed in two stages employing the hermeneutic (idiographic) approach (Thompson et al., 1994, Packer, 1985, Fournier, 1998). The first stage involved reading the verbatim transcript with the goal of gaining insight to the personal hardship of being diagnosed with HIV in which psychological tendencies were revealed as well as an understanding of how women utilized available support services. The second stage involved comparative analysis of the responses of each interviewee. This stage was directed at finding any similarities or specific differences within and across the three informants groups, as well as an assessment of what is lacking in addressing women's needs.

### Sample

*Women living with HIV/AIDS;* The researchers approached the Positive Women Organization in Australia to seek its assistance with recruitment. The director of this organisation was provided with an explanatory note of the study. She then approached the clients of this organisation via email and this resulted in three women being self-selected.

The key informants of this research were women living with HIV/AIDS (R1-R3). The three respondents were Caucasian women who live in Melbourne, speak English as their first language and all between 25 and 50 years of age. The time lapse since diagnosis of these women was over 14 years (R1), approximately 16 years (R2), and 9 years (R3). Two of the three informants (R2 & R3) have children, and at time of interview R3 had a new born baby and therefore was not working. Only respondent R3 is married. R2 has a PhD degree and worked in a consulting business, while R1 was enrolled to study her Diploma of Social Welfare and worked part-time. Overall, there was sufficient variation in the life circumstances of these women to reflect some diversity of lived experiences and life perspectives.

*Medical practitioners (Physicians);* This group comprised medical practitioners specializing in the health of women living with HIV/AIDS. Eight doctors (D1-D8) from Melbourne and Sydney clinics specializing in HIV/AIDS treatment were interviewed. This respondent group was selected on the basis that doctors are recognized as the first real contact that a woman makes when diagnosed with HIV/AIDS and that, by virtue of the chronic and stigmatizing nature of the illness, an enduring doctor-patient relationship often ensues.

*Women advocates;* This group of informants were four women (WA1-WA4) living with HIV/AIDS who are also actively involved in national advocacy roles and in support services such as peer support at the community level. They have all publicly disclosed their HIV status and serve to support, represent, and advocate for the needs of all women living with HIV/AIDS in Australia at a state and national level. The participants were from four Australian state capital cities (Adelaide, Sydney, Melbourne and Brisbane) and reflect varied life experience, ethnicity and family circumstances. They were all first diagnosed HIV-positive over ten years ago.

## FINDINGS

In accordance with the service-centered model of exchange (Vargo and Lusch, 2004), the interviews focused on the relational aspects of the exchanges that the women experienced during the period of their diagnosis, the subsequent commencement of treatment, and the management of their condition. This approach elicited three key themes that emerged during the data analysis–counseling, orientation of support services, and peer support.

Before presenting these main findings it is important to understand the profile of the female Australian HIV-positive population. One medical practitioner, who deals with PLWHA on a daily basis, claims that an increase in the global epidemic directly effects this population.

It's not home grown transmissions…They are certainly there, but those figures aren't going up. It tends to be going up with people who are coming to Australia, migrating to Australia and they've acquired HIV from overseas…or Anglo women who've gone overseas and had sex with a local and acquired it in that way… [D1]

This gives us an insight into a population who may have significant economic, social, cultural and religious differences, and offers both an understanding of and impetus for the examination of HIV support services. Both the responses from the interviewees and the surveillance data jointly support the contention that it is extremely difficult to identify any commonality across the female HIV-positive population. As another medical practitioner states:

Women are very, very different. There are some who are injecting drug users, there are some who've acquired it from their partners who are HIV positive and heterosexual, …young women who are students and occasionally older women who have had it for a while and are diagnosed in their sixties only recently because their husbands were bisexual and positive and didn't know about it. [D2]

*Counseling;* Diagnosis of HIV is obviously a shocking experience and all respondents revealed that, at the initial stage of diagnosis with HIV, it felt like a death sentence. The psychological trauma of one of the respondents was intensified by the doctor's reaction.

I felt that the GP [physician] was really angry with me for having exposed him to the virus. [R1]

Another respondent had a more favorable first experience:

I was probably very fortunate that I went to the [clinic] for my diagnosis and that's where I still go for my HIV doctor related appointments basically because I think they are a really compassionate and understanding service [R2]

These two contrasting situations reveal a critical stage where support services begin; namely, with the advice and counseling from initial consultation with a General Practitioner and their compassion and understanding of the client's situation.

The HIV specialist or diagnosing general practitioner is often the sole source of information about medical treatments and the non-medical support services available for women when newly diagnosed. While it is perceived as obvious that counseling for HIV-positive people is of utmost importance to assist them in normalizing their lives, there is a serious frustration in regards to the provision and delivery of these services. As one of the respondents commented:

the counseling I think is something that's really under resourced. There's very little of it about, and that's the thing, like, where do you find out where ongoing counseling is unless you go to Positive Women or the AIDS Council which most women feel intimidated by. [R2]

This was also supported by medical practitioners, who indicated that psychological and psychiatric services are traditionally underfunded, which ultimately inhibits the necessary support that women need through their diagnosis.

The experience of the women interviewed, in terms of receiving counseling support, varied considerably. One respondent stated that, at the time she was diagnosed, there was:

… no counseling whatsoever. As I said, I didn't go for an HIV test, I went because I was sick, and then when I got the test results. [R1]

Another respondent sought help from her circle of friends:

I had a good friend around the corner, [Name], and he actually used to work as a counselor. …so he sort of gave me quite a bit of support. [R3]

She then shared her experience of finding support from a counselor in the hospital:

Somewhere around the '90s I met a counselor who was working at [Name] Hospital, and he offered to have sessions with me, and I probably ended up seeing him for about two years and he was a psychotherapist, and that was great and that was probably-ultimately it was probably the best. [R3]

Adequate levels of counseling support are considered to consist of more than merely a few post-diagnosis sessions. Counseling must be an ongoing process to address various needs as they emerge over time and the availability of ongoing counseling has a crucial impact on personal well-being.

From these findings it is apparent that counseling services have to be designed and widely available to enable HIV-positive women to adapt to their new life, provide psychological support and additional information services specifically related to the HIV disease. In addition, HIV-positive people require on-going counseling.

*Orientation of support services;* A number of community-based organizations provide support for people infected by HIV/AIDS. However, the specific sexual orientation of their activities poses significant constraints on the consumption of such services by women. For example, two major organizations, the AIDS Council and NAPWA (National Association of People living with HIV/AIDS) were described as follows:

…largely gay men oriented...I do know that a lot of women do feel uncomfortable and have a lot of concerns about the gayness of these places. [R1]

One woman advocate supported this perception.

A lot of women don't feel that welcome walking in there when 90% of it's gay men [WA4]

A comment by one of the respondents indicates that, unlike the HIV-positive gay society, women often find themselves with no emotional attachment to other HIV-positive women.

> ...in terms of community, the gay men in Australia have got the numbers, so they do have quite a community whereas … The women in Australia, we don't live near each other, we're spread out. We don't have that extra being homosexual in common to bind us. [R1]

While an essential objective of non-medical support services is to challenge the isolation experienced by many women diagnosed with HIV, the image of Positive Women often does not reflect a sense of community. This is in line with comments that the population of HIV-positive women is very diverse, and that makes it difficult to create an image of an organization that will appeal to various segments of the female population. Despite a relatively small HIV-positive female population in Australia it is evident that having one organization to address all women's needs is not sufficient.

*Peer support;* Siegel and Lekas (2002) observed that there are two dominant reactions by women to a diagnosis of HIV: to either engage with the HIV community or to continue with the pre-illness self, which results in social and/or emotional isolation. This isolation can be reduced by encouraging women to engage with the community based organizations through peer support workers. As it was observed by medical practitioners, significant barriers exist that prevent women from wanting to engage with support services as a consequence of the HIV/AIDS diagnosis.

> I have several patients who do not use any support services. They come and talk only to me. Sometimes I feel that I am GP, psychiatrist and social worker all rolled into one but, of course, I feel that I don't do these [psychiatrist and social worker] very well. They need to talk to other professionals …but when I advise them to use these other services they appear offended, as though I am trying to pass them off to others [D5]

When asked 'what sort of things would stop someone using a service?' one HIV specialist remarked:

> For many women it is all related to confidentiality, the fear of disclosure, who to disclose to and not having that support network that you talk about being often so good at getting together. [D2]

Despite issues relating to confidentiality, peer support services were consistently identified by the women interviewed as one of the most valued support services, particularly in the early stage of diagnosis. This importance is acknowledged by one advocate, who speaks from her experience.

> It's just that relief that you can actually pick up the phone and know you're speaking to another woman who's been through what [you have been through]. [WA1]

It is important to note that the most effective support-providers may be *similar others*; that is, individuals who themselves have successfully faced the same stressful circumstances that are currently experienced by the subject (Thoits, 1995). The importance of peer support is strongly emphasized by women in our study and, in general, respondents seek more communication with other HIV-positive women–to share information and experience, to maintain social contact and for emotional support.

> …even now in Australia I kind of crave for some-to talk to other HIV-positive people with a similar perspective to mine, and there are very, very few people. There's a guy in Sydney that I ring up, and he's probably my best peer support, which is crazy. There's one in Melbourne and there's a few women in Melbourne I like and get on with but… it's a lonely journey… I know for me I want to spend more social time with other women who are positive, and yet I can't find them; I can't get to them and I don't know where they are. Positive Women doesn't supply that need to me [R2]

Coupled with this are concerns about the evolving nature of the support services, with many current health care workers not being HIV-positive and thus not perceived as 'similar others'.

> All the peer support positions are being turned into health promotion positions, and it's as though it's not cool to be a peer support worker. You're not bringing enough to the position, you've got to be, you know, highly qualified. [WA1]

This reflects trends across Australia, where the role of the peer support worker is subsumed by the position of a trained health worker and is inconsistent with the nature of desired service provision. This trend changes the nature of the peer support service which provides empathy from an experienced perspective in understanding the nature of the challenges that the women face.

These narratives illustrate the evolving and dynamic nature of support services needed for women through the evolution of HIV/AIDS from the pre-treatment era to the current situation where there are widely available antiretroviral treatments. Of particular importance is evidence for the need of counselling and non-medical support services following the commencement and balancing of antiretroviral treatments.

## IMPLICATIONS FOR CONSUMER THEORY: RESEARCH IN HIV AREA

This study has introduced the contemporary issues relating to support services for people with HIV in Australia and specifically highlights the dearth of information relating to women as a minority group within this population. By adopting a more flexible approach to the marketing viewpoint underscoring the design of the study, a contribution has been made to better understanding (1) consumer needs, and (2) the design and marketing of appropriately oriented non-medical services to heterosexual women with HIV/AIDS.

The results reported in this paper challenge the current understanding of services marketing; that the effect of support services depends not only on the range and variety of specific services that people receive but on more specialised features within the context of the service transaction. It is apparent that HIV-positive people, and women in particular, engage with only limited service providers.

Characteristics of support service providers, service recipients and transpired relationships, are all important elements within service delivery and have an impact upon access and use of support as well as effectiveness of such exchanges. This study demonstrates a paradox in the model of services designed for HIV-positive people. While the majority of service initiatives are developed and funded to provide various forms of emotional and instrumental support for PLWHA, there is no fit between service providers and service recipients, with clients often rejecting the value propositions made by the service provider. The customer is not a co-producer; she remains an *operand resource*.

The medical community is in a unique position to redress the imbalance in the provision and utilization of support services as they have privileged access to women, particularly those newly diagnosed with HIV/AIDS, who are in need of counseling. Coun-

seling is of great importance in the earlier stages of diagnosis as it helps individuals not only accept the first exposure to the illness but also to plan their future life. Over the years counseling gives way to communication networks with HIV-positive people who have similar problems and share an understanding of the requirements and concerns of people with comparable debilitating conditions.

Engagement with a supportive HIV community which was more closely oriented to women's particular needs was found to be of great importance. However, in reality it is not so straightforward. Firstly, the population of HIV-positive women in Australia is very heterogeneous, and while women want to communicate with similar others, the diversity of the group means that they may not share any aspects of their identity beyond their HIV status. The second issue is that women perceive that they have little in common with the majority of community members, given that the support networks have been largely organized by and on behalf of the gay male community.

In general, the support services which exist are in their infancy. There is no theoretical or practical guidance on how to treat emerging support services, and it is correspondingly difficult to measure and evaluate the efficacy of those organizations.

The strategies employed by peer-support organizations require extreme flexibility and adaptability in dealing with the diverse population of HIV-positive women. HIV support organizations are, by their very nature, limited and tend to operate in a similar way to each other rather than offering distinctive services to their clients. There is no competitive incentive to sharpen the quality of services available and women who use these services do not have many options from which to choose. Some of the key aspects mentioned in this study suggest the need for further development of marketing strategies and service-centered social marketing approaches to satisfy the needs of HIV-positive women.

This highlights the paradox which marketers have to address. On one hand so many academic and practical advances have been accumulated in the theories of service and consumer research. However, when society faces the challenge of providing support services for people with terminal illnesses, it is evident that new factors posited by the environment have to be incorporated into the services model to address the needs of a new segment of consumers. This exploratory study demonstrates that the "marketplace has more to teach the scholars than scholars have to teach the marketplace" (Deighton and Narayandas, 2004, p. 20).

The problems associated with HIV/AIDS are too readily perceived as relating purely to the domain of physical health. However, the contribution that can be made from the services marketing paradigm is to overcome this major 'short-circuit' in the design and promotion of health care services caused by the failure to take into account consumer variables such as individual personality, socioeconomic status, existing knowledge and interests, mass media habits, and interpersonal communication networks (Bratic et al., 1981). We must add gender to this list, as it has been long overlooked. As this study reveals, such an approach will improve the design of support services and facilitate the development of gender-sensitive marketing strategies to enhance the consumption of support services by HIV-positive women.

## LIMITATIONS AND DIRECTIONS FOR FUTURE RESEARCH

The process of data collection was marked by objective difficulties in recruiting women with HIV/AIDS who were willing to participate in this study. The major obstacle was that women consider their privacy to be a high priority and they were therefore reluctant to disclose their HIV status. Subsequently, the number of respondents selected to participate in this study was constrained by the scope of the project and the closed nature of the target community. However, even though the number of respondents was small, their comments and responses reveal high levels of consistency, which is important for new research directions.

Future studies could also investigate the needs of women who are caring for HIV-positive partners or children, individuals from cultural and diverse backgrounds, or on a growing elderly population who are affected by HIV/AIDS. Finally, similar research could examine the consumption practices of the heterosexual male community who, like their female counterparts, suffer from being a minority within a minority.

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# A Comparison of Advertising, Social, and Cognitive Predictors of Overeating Behavior

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## ABSTRACT

The *Journal of the American Medical Association* and the National Center for Health Statistics report that 30 percent of adults and 15 percent of adolescents in the United States are obese (Ogden et al. 2002). Such statistics suggest that the prevalence of obesity in America has reached epidemic proportions, threatening to overtake smoking as the leading preventable cause of disease and death (Seiders and Petty 2004).

Drawing from Bandura's (1986) social cognitive framework to understand the etiology of overeating behavior, the current research study simultaneously examines individual and combined effects of advertising, social, and cognitive predictors on overeating behavior in adolescent and adult populations. This research is the first to examine social cognitive influences in both an adolescent and adult population, which allowed an assessment of the robustness of each variable across two different populations, and consequently enhances the external validity of the results.

Overall, the results of the analysis suggest that (1) although advertising media alone may have a significant effect on unhealthy overeating behavior, parental influence, peer influence, and self-efficacy beliefs largely neutralize such influence, (2) peer and parental influences strongly predict adolescent unhealthy overeating behavior, but parental influence wanes as individuals reach adulthood, and (3) self-efficacy is the most significant predictor of adolescent and adult unhealthy overeating behavior.

## INTRODUCTION

Extensive research efforts have sought to explore the biological, psychological, and social factors and mechanisms that influence voluntary risk behavior among adolescents (i.e., Grube and Wallack 1994; Hitchings and Moynihan 1998; Pechmann and Knight 2002; Seiders and Petty 2004). Among the factors documented by behavioral theorists to influence adolescent risk behavior are attitudes, intentions, emotions, social norms, motivations, and the environment. However, multiple spheres of influence and developmental changes make childhood and adolescence challenging targets for research aimed at understanding how risk behaviors form. Specifically, determining the extent to which each factor contributes to the development of risk behavior among adolescents is a confounding issue.

Bandura's (1986) social cognitive theory provides some guidance to understand the myriad of factors that influence risk behavior (Malone 2002). The theory purports reciprocal, bidirectional interrelationships of a person's behavior, environmental factors (family, friends, and media) and cognitive processes (thoughts, language, memory, and self-efficacy) as the explanation to human behavior (Jacob 2002). Further, social cognitive theory does not place equal emphasis on these relationships, thus allowing for the examination of the unique and additive effects of the variables. At the time of this research prior studies using social cognitive theory to examine adolescent risk behaviors tend to view social cognitive associations as independent, rather than interwoven sources of influence.

### Advertising's Influence on Overeating Behavior

A variety of studies have examined the relationship between television viewing and obesity in children (e.g., Crawford, Jeffery and French 1999, Moschis and Moore 1982). However, findings are mixed, with some results suggesting no relationship (i.e., DuRant, Baranowski, Johnson and Thompson 1994; Wolf, Gortmaker, Cheung, Gray, Herzog and Colditz 1993), while others indicate a relatively strong effect (i.e., Dietz and Gortmaker 1985). Although there is limited empirical evidence directly linking advertising and adolescent obesity (Lvovich 2003), these findings warrant further examination of advertising's influence on overeating behaviors.

Although limiting unhealthy advertisements (Ellison and Vranica 2005), food manufacturers still allocate nearly 75 percent of media budgets to televised advertisements (Byrd-Bredbenner and Grasso 2001). Children view nearly 3 hours of commercials weekly, the majority of which are for unhealthy foods (Armstrong and Brucks 1988; Gamble and Cotugna 1999; Dietz and Gortmaker 1985; Tucker 1986). Further, children's exposure to food advertisements increases their desire for those foods (Goldberg and Gorn 1974). Thus,

*H1*: After controlling for other sources of influence, exposure to unhealthy food-related advertisements is a significant predictor of unhealthy overeating behavior.

### Parental Influence on Overeating Behavior

Social cognitive theory (Bandura 1986) suggests that direct exposure to parental figures overeating reduces an individual's inhibition to engage in such behavior. Further, research indicates children's food preferences are shaped by observing food selection patterns and eating behaviors of their parents (Birch and Fisher 1998; Bolton 1983). In addition, parental control over adolescent exposure to advertised media may preempt children's susceptibility to advertising. Thus,

*H2*: After controlling for other sources of influence, parental influence is a significant predictor of unhealthy overeating behavior.

### Peer Influence on Overeating Behavior

During adolescence, individuals tend to identify more with peers than with family members (Campbell 1969; Moore and Moschis 1978; Moschis and Churchill 1979; Ward 1974). Adolescents that frequently interact with peers tend to prefer their friends' products (Caron and Ward 1975), discuss peer consumption behavior with parents (Churchill and Moschis 1979; Moore and Moschis 1978), influence product and brand preferences of family members (Moschis, Moore and Smith 1984; Saunders, Salmi and Tozier 1973) and are more actively involved in the family purchasing process (Moschis, Moore and Stephens 1977).

Therefore,

*H3*: After controlling for other sources of influence, peer influence is a significant predictor of unhealthy overeating behavior.

### Self-Efficacy Influence

Theories of social influence have proven valuable in researching voluntary risk behavior. The social influences discussed thus far are purported to stimulate the consumer's desire to partake in a certain behavior. However, theories relying solely on social influ-

ences seemingly assume that the individual has control over his or her behavior. Bandura (1986) realized the potential effects of real or perceived self-control on an individual's behavior, and revised his original frameworks to account for such influence, termed self-efficacy beliefs. Self-efficacy is a cognitive variable referring to individuals' perceived ability to exert control over events in their lives (Bandura 1986). Indeed, self-efficacy beliefs may preempt external influences on overeating (Godin and Kok 1996). From Bandura's (1986) social cognitive perspective, individuals with low self-efficacy beliefs are unlikely to resist engaging in behavior detrimental to their health, whereas the opposite is true for high self-efficacy individuals. Therefore, individuals who believe that they are unable to stop eating might overeat, social influences supporting or dissuading overeating behavior notwithstanding. Self-efficacy has been reported to predict consumer overeating (Clark, Abrams, Niaura, Eaton, and Rossi 1991; Richman, Loughnan, Droulers, Steinbeck, and Caterson 2001). Furthermore, research reports weight self-efficacy is inversely related to actual weight in both male and female samples (Linde, Jeffery, Levy, Sherwood, Utter, Pronk, and Boyle 2004). Thus,

*H4*: After controlling for other sources of influence, general self-efficacy is a significant predictor of unhealthy overeating behavior.

## METHODOLOGY

The current research consists of two studies. Study 1 examines the relative influence of four social cognitive variables-advertising, parental influence, peer influence, and self-efficacy–on adolescent overeating behaviors. In order to enhance the external validity of the results, Study 2 examines the influence of these variables on adult overeating behaviors. Survey content, format, and administration were identical for both studies.

*Procedure*. Survey administration took place during evening hours inside/outside of restaurants across three cities–Chicago, Illinois; San Antonio, Texas; and Washington, D.C. Intercepted respondents were screened for engagement in overeating behavior and the extent to which they felt competent in recalling and reporting the manner in which certain antecedents had impacted their overeating. Once an individual was screened, the purpose and nature of the study was explained and $2 was offered in exchange for participation.

In an effort to enhance the accuracy of self-report measures used to collect adolescent overeating behavior, counter-biasing information was provided during survey administration. For instance, respondents were told "It's very common to overeat". Counter-biasing methods have been proven to lower social desirability bias in health research (Raghubir and Menon 1996; Sudman and Bradburn 1974). Additionally, research guidelines suggest a short time frame be utilized when assessing self-report responses (Sudman and Schwarz 1989). Thus studies 1 and 2 used a reference time period of one month. Test-retest correlations (Study 1-.92, n=26, 17-day interval; Study 2-.94, n=30, 16-day interval) suggest consistency in reported behavior from both studies.

*Independent Measures*. Advertising influence ($\alpha$=.87) was assessed using recalled exposure to advertised messages, as well as cognitive and affective processes elicited by their presence that may encourage individuals to engage in risk behavior. The current study adapted measures constructed by Schooler, Feighery and Flora (1996) to estimate advertising exposure through both broadcast and print media..

In line with similar studies examining parental/peer influence ($\alpha_{Par}$=.80; $\alpha_{Peer}$=.85), we assessed perceived parental and peer

behavior by asking, "How often do your parents (peers) overeat?" (1=Never; 5=Almost every day). We assessed attitude and subjective norms related to the behavior by asking the following questions: "What is your parents (peers) general attitude toward overeating?" (1=Unfavorable; 5=Favorable) and "How often do you feel you need to comply with your parents (peers) attitude toward overeating?" (1=Never; 5=All the time).

Self-efficacy ($\alpha$=.94), was measured as a general construct that reflects an individual's ability to cope with a broad range of stressful or challenging demands. Four items were used to measure general self-efficacy. A typical question from the scale is "I never give up on things before completing them" (1=Strongly disagree; 5=Strongly agree).

*Dependent Measures*. Unhealthy overeating behavior was assessed by correlating the results of two measures. First, respondents were asked "What percent of your diet consists of, what is generally considered, unhealthy food (e.g., high sugar, high saturated fat, 'empty calories', etc.)?" Then respondents were asked to report their age, weight, and height in order to determine the number of pounds they were over the "high" end for their acceptable weight range. Acceptable adolescent weight ranges for comparison are widely published (e.g., Centers for Disease Control and Prevention 2000). A high correlation between the two measures indicates there is strong positive relationship between one's unhealthy food consumption and the extent to which s/he is overweight, indicating a propensity to overeat unhealthy foods. The correlation coefficient between these two measures across both studies was .983.

*Demographic Measures*. The current study controlled for possible extraneous influences of socioeconomic status, gender, and ethnicity (Moore and Stephens 1975). Respondent gender and ethnicity were measured using traditional nominal scales. As is common in youth research, adolescent SES was determined by parental occupation and educational attainment.

### Analysis

Hierarchical regression analysis allows partitioning of the total variance explained by a set of predictor variables into unique proportions explained by discrete subsets so that a predictor subset's "contribution to unique variance in a criterion beyond another predictor's contribution may be explained" (Organ and Konovsky 1989, 161). We conducted hierarchical regression analysis in five major steps. First, demographic control variables were regressed on each of the three risk behaviors. Second, each predictor was regressed separately on the two risk behaviors, with the inclusion of significant demographic control variables from step 1. Third, each of the four predictor variables was added separately to the equations of the second step, and the change in $R^2$ was investigated for significance ($p \le .05$). Fourth, each of the four predictor variables was added separately to subsets of every possible pair of predictor variables from the third step, and the change in $R^2$ was investigated for significance. Finally, each of the four predictor variables was added separately to subsets of every possible three-way combination of predictor variables from the fourth step, and the change in $R^2$ was again investigated for significance. An alpha value of .05 was used for determination of statistical significance for all results.

## STUDY 1

In this study, we investigate the relative predictive effects of advertising media, social influence and self-efficacy on adolescent overeating. Specifically, this study consists of adolescents (age 13-19) exhibiting a propensity to overeat unhealthy food.

*Sample*. A total of 89 qualified adolescents agreed to complete the survey. The respondent mean age was 16.3 years, and, on

average, each respondent reported being nearly 40 pounds overweight.

*Results.* Table 1 shows the results of the hierarchical regression analysis and the standardized beta estimates for the full regression model. Significant relationships were identified between demographic control variables and overeating behavior. Specifically, socioeconomic status was negatively associated with overeating, and adolescent females were associated more with overeating than adolescent males. Additionally those that marked "Other" for their ethnicity, as compared to Caucasians, African-Americans, and Hispanics, were associated with lower levels of adolescent overeating behaviors.

The change in $R^2$ associated with step 2 of the hierarchical regression analysis shows that all four independent variables significantly predict unhealthy overeating behavior among adolescents after controlling for demographic variables. The third step of the analysis shows each predictor variable's ability to explain some unique variance in adolescent unhealthy overeating behavior when controlling for only one other social cognitive predictor and the demographic variables. Based on the change in $R^2$ in step 3, advertising is non-significant for overeating, while parental influence, peer influence, and self-efficacy are significant (except for the relationship of peer influence beyond self-efficacy).

When controlling for all other subsets of social cognitive predictor variables and demographic variables in step 5, the resulting change in $R^2$ values and standardized beta coefficient reveal advertising to be a non-significant predictor of unhealthy overeating behavior among adolescents, while parental influence, peer influence, and self-efficacy are significant. Overall, self-efficacy is found to be the most significant determinant of adolescent overeating. Further removing possible effects of advertising and self-efficacy, parental and peer influences are second and third in significance, respectively. Based upon these findings, H2, H3, and H4 are supported. No support is found for H1.

## STUDY 2

In Study 1, we examined the ability of each social cognitive variable to explain unique variance in risk behavior among adolescents. Although the results from Study 1 are promising to better understanding the etiology of overeating behavior, adolescent samples limit the generalizability of the results. Therefore, Study 2 consists of an adult sample exhibiting overeating behavior. Differences in age between the two sample types strengthen the ability to draw conclusions detailed in the first study.

*Sample.* A total of 83 qualified adults agreed to complete the survey, comprised of 49 percent male and 51 percent female respondents. The average age of the respondent was 52 years, and, on average, each respondent reported being nearly 63 pounds overweight.

*Results.* Table 2 presents the results of the hierarchical regression analysis of Study 2. Similar to the significant relationships identified between demographic controls and overeating in Study 1, socioeconomic status was negatively associated with unhealthy overeating, adults that marked "Other" were less likely to overeat unhealthy foods, and adult females were more likely than adult males to overeat unhealthy foods.

Similar to Study 1, the change in $R^2$ associated with step 2 of the hierarchical regression analysis suggests that all four independent variables significantly predict adult unhealthy overeating after controlling for demographic variables. Again, the third step of the analysis shows each predictor variable's ability to explain some unique variance in adult overeating behavior when controlling for only one other social cognitive predictor and the demographic

variables. Based on the change in $R^2$ in step 3, advertising, parental influence, peer influence, and self-efficacy are significant predictors of adult overeating behavior (except for the relationships of parental and peer influence beyond self-efficacy).

When controlling for all other subsets of social cognitive predictor variables and demographic variables in step 5, the resulting change in $R^2$ values and standardized beta coefficients reveal that advertising and parental influence are non-significant predictors of adult unhealthy overeating behavior, while peer influence and self-efficacy appear to be significant predictors of adult unhealthy overeating behavior. Overall, self-efficacy is again found to be the most significant determinant of unhealthy overeating behavior. Based upon these findings, only H3 and H4 are supported.

## DISCUSSION

This research study explored the relative explanatory power of advertising, social, and cognitive predictors of overeating across both an adolescent and adult sample. The empirical evidence provided in this study makes a significant contribution toward understanding the etiology of unhealthy overeating behaviors. While critics blame advertising for the prevalence of obesity in the adolescent population, the results of this research suggest that advertising accounts for a relatively small, insignificant percent (*e.g.,* 1 percent for adolescents and 2 percent for adults) of unique variance in unhealthy overeating behavior when controlling for other social cognitive predictor variables. In fact, for both adolescents and adults, self-efficacy is the strongest predictor of unhealthy overeating behavior.

Overall, the results of the analysis suggest that (1) although advertising media alone may have a significant effect on unhealthy overeating behavior, parental influence, peer influence, and self-efficacy beliefs largely neutralize such influence, (2) peer and parental influences strongly predict adolescent unhealthy overeating behavior, but parental influence wanes as individuals reach adulthood, and (3) self-efficacy is the most significant predictor of adolescent and adult unhealthy overeating behavior.

### Limitations and Future Research

Self-report measures will inevitably lead to questions regarding response accuracy. Previous studies have found that the response estimates are associated more with an adolescent's own behavior, and thus may lead to overestimation of influence (Sussman, Dent, Mestel-Rauch, and Johnson 1988). Future research studies examining modeling effects should directly assess peer and parental unhealthy overeating behavior. Additionally, a one-month reference period follows established research guidelines for self-report measures. However, relying on the participant's memory of prior overeating behaviors limits the ability to draw conclusions with certainty. Studying actual overeating behavior in an experimental setting would strengthen the validity of the current findings.

Second, this study casts social cognitive variables as predictors of risk behavior, but social cognitive theory posits reciprocal relationships. While empirical evidence supports the causal nature of these predictors, future research might employ a longitudinal assessment and analytic methods associated with casual modeling. Finally, the social cognitive variables assessed in this research study do not represent an exhaustive list of factors influencing overeating behavior. Examining additional variables such as outcome expectancies, perceptions of personal norms for appropriate social behavior, personal responsibility regarding one's own behavior may provide additional insight into the cognitive processes underlying risk behavior.

Alternative Hierarchical Regression of Adolescents' Overeating on Advertising, Parental Influence, Peer Influence, and Self-Efficacy

| Regression Steps | $\Delta R^2$ |
|---|---|
| | Overeating |
| Step 1 | |
| Demographic control variables only | .07[a] |
| | |
| Step 2 | |
| Advertising | .07[a] |
| Parental Influence | .25[b] |
| Peer Influence | .13[b] |
| Self-Efficacy | .38[b] |
| | |
| Step 3 | |
| Advertising beyond parental influence | .01 |
| Advertising beyond peer influence | .02 |
| Advertising beyond self-efficacy | .00 |
| | |
| Parental influence beyond advertising | .23[b] |
| Parental influence beyond peer influence | .20[b] |
| Parental influence beyond self-efficacy | .12[b] |
| | |
| Peer influence beyond advertising | .12[b] |
| Peer influence beyond peer influence | .04[a] |
| Peer influence beyond self-efficacy | .02 |
| | |
| Self-efficacy beyond advertising | .35[b] |
| Self-efficacy beyond parental influence | .27[b] |
| Self-efficacy beyond peer influence | .22[b] |
| | |
| Step 4 | |
| Advertising beyond par infl and peer infl | .00 |
| Advertising beyond par infl and peer infl | .00 |
| Advertising beyond peer infl and s-eff | .00 |
| Parental influence beyond adv and peer infl | .18[b] |
| Parental influence beyond adv and s-eff | .15[b] |
| Parental influence beyond peer infl and s-eff | .13[b] |
| | |
| Peer influence beyond adv and par infl | .07[a] |
| Peer influence beyond adv and s-eff | .00 |
| Peer influence beyond par infl and s-eff | .01 |
| | |
| Self-efficacy beyond adv and par infl | .25[b] |
| Self-efficacy beyond adv and peer infl | .20[b] |
| Self-efficacy beyond par infl and peer infl | .19[b] |
| | |
| Step 5 | |
| Advertising beyond par infl, peer infl, and s-eff | .00 |
| Parental influence beyond adv, peer infl, and s-eff | .18[b] |
| Peer influence beyond adv, par infl, and s-eff | .07[a] |
| Self-efficacy beyond adv, par infl, and peer infl | .25[b] |
| | |
| Advertising β | .008 |
| Parental Influence β | .218[b] |
| Peer Influence β | .177[b] |
| Self-Efficacy β | .264[b] |

[a] $p \leq .05$, [b] $p \leq .01$

**TABLE 2**

Alternative Hierarchical Regression of Adults' Overeating on Advertising, Parental Influence, Peer Influence, and Self-Efficacy

| Regression Steps | $\Delta R^2$ |
|---|---|
| | Overeating |
| Step 1 | |
| Demographic control variables only | .07[a] |
| | |
| Step 2 | |
| Advertising | .12[b] |
| Parental Influence | .12[b] |
| Peer Influence | .18[b] |
| Self-Efficacy | .31[b] |
| | |
| Step 3 | |
| Advertising beyond parental influence | .07[a] |
| Advertising beyond peer influence | .05[a] |
| Advertising beyond self-efficacy | .01[b] |
| | |
| Parental influence beyond advertising | .08[b] |
| Parental influence beyond peer influence | .05[a] |
| Parental influence beyond self-efficacy | .01 |
| | |
| Peer influence beyond advertising | .16[b] |
| Peer influence beyond peer influence | .13[b] |
| Peer influence beyond self-efficacy | .02 |
| | |
| Self-efficacy beyond advertising | .27[b] |
| Self-efficacy beyond parental influence | .25[b] |
| Self-efficacy beyond peer influence | .26[b] |
| | |
| Step 4 | |
| Advertising beyond par infl and peer infl | .03[a] |
| Advertising beyond par infl and peer infl | .02 |
| Advertising beyond peer infl and s-eff | .01 |
| | |
| Parental influence beyond adv and peer infl | .04[a] |
| Parental influence beyond adv and s-eff | .01 |
| Parental influence beyond peer infl and s-eff | .00 |
| | |
| Peer influence beyond adv and par infl | .12[b] |
| Peer influence beyond adv and s-eff | .09[b] |
| Peer influence beyond par infl and s-eff | .06[a] |
| | |
| Self-efficacy beyond adv and par infl | .23[b] |
| Self-efficacy beyond adv and peer infl | .24[b] |
| Self-efficacy beyond par infl and peer infl | .22[b] |
| | |
| Step 5 | |
| | |
| Advertising beyond par infl, peer infl, and s-eff | .02 |
| Parental influence beyond adv, peer infl, and s-eff | .00 |
| Peer influence beyond adv, par infl, and s-eff | .09[b] |
| Self-efficacy beyond adv, par infl, and peer infl | .24[b] |
| | |
| Advertising β | .082 |
| Parental Influence β | .019 |
| Peer Influence β | .238[b] |
| Self-Efficacy β | .289[b] |

[a] $p \leq .05$, [b] $p \leq .01$

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# Hard-Core Members' of Consumption-Oriented Subcultures Enactment of Identity: The Sacred Consumption of Two Subcultures

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## ABSTRACT

This study investigates how hard-core members of two non-brand focused consumption-oriented subcultures enact their identities. The authors analyzed data collected from prolonged investigations of the North American organized distance running subculture and the Australian Hip Hop culture. Results suggest hard-core members enact their subcultural identities through reverence to sacred objects, times, people, and places. In addition, drawing upon the properties of sacredness outlined by Belk et al (1989), hard-core members experience a sacred-like lifestyle through objectification, commitment, sacrifice, mystery, and ecstasy and flow. These findings imply that sacred subcultural experiences can be enacted in domains traditionally conceptualized as profane.

"I have run on average 39 out of 40 days for 20 years solid. So at one level it fits into my lifestyle, but I absolutely have to do it now. It's ingrained in my lifestyle so now, it's my outlook. It still is a bigger chunk of my life than it ought to be because it is a totalizing kind of pursuit, because it is about pursuing absolute limits, and that always involves a very significant emotional and mental and physical commitment. For the vast majority of my life it has been at least the number one or two priority in my life." [Bryan, male runner aged 42]

"I'd spend every weekend passionately driving with friends or catching trains to get every single photo of graffiti I possibly could. Ended up with six/seven thousand photos of graffiti. That was from Australia, and now I've got thousands from traveling the world a couple of times. And I've continued to do that." [Simon, male graffiti artist aged 25]

Leisure and non-work activities are important and at times obsessive elements of consumers' lives, with several researchers espousing the benefits of exploring these kinds of consumption domains (e.g. Holbrook and Hirschman 1982; Kozinets et al. 2004). One interesting facet of this type of consumption is leisure activities taking on extreme levels of importance for an individual and becoming the dominant aspect of the individual's lifestyle and social identity (Borgmann 2000, 2003; Donnelly 1981). This is the case for the runner and graffiti artist in the opening narrative. The collectives that form around these kinds of focal activities are referred to as consumption-oriented subcultures and those individuals for whom the activity is the dominant aspect of their lifestyle are referred to as hard-core members of the subculture. Extant research has documented, in a variety of contexts and academic domains, the high levels of commitment exhibited by hard-core members of a subculture. The purpose of this study is to gain a deeper understanding of the nature of these commitments. Through a detailed analysis of two consumption-oriented subcultures, we explore the behaviors of hard-core subculture members to uncover the theoretical character of their identity enactments.

## LITERATURE REVIEW

Understanding the behaviors of hard-core consumption-oriented subculture members requires understanding the answers to three key questions: (1) what are consumption-oriented subcultures and how are they understood in consumer research? (2) what is the link between these collectives and the individuals that comprise them? and (3) how are hard-core members characterized and how do they differ from others in the subculture? To address these questions, the following literature review offers a parsimonious description of consumption-oriented subcultures and several key characteristics of these groups. First, we present an overview of how consumption-oriented subcultures are examined in consumer research. Building upon this foundation, we highlight the link between membership in a consumption-oriented subculture and individual identity. A discussion of the unique characteristics of hard-core members of consumption-oriented subcultures follows this.

### Consumption-Oriented Subcultures:

Schouten and McAlexander (1995) introduced subcultures of consumption to consumer research. They define these groups as "a distinctive subgroup of society that self-selects on the basis of a shared commitment to a particular product class, brand, or consumption activity" (p. 43). They state that these groups are characterized by "an identifiable, hierarchical social structure; a unique ethos, or set of shared beliefs and values; and unique jargons, rituals, and modes of symbolic expression" (p. 43). Subcultures of consumption are conceptually similar to brand communities which Muniz and O'Guinn (2001) define as specialized, non-geographically bound communities based on a structured set of social relationships among admirers of a brand. Together, these collectives are referred to as consumption-oriented subcultures (or cultures). In this study, we focus on non-brand consumption-oriented subcultures.

Much research on consumption-oriented subcultures and the behaviors of its member has adopted a case study approach in which different theoretical aspects of these groups are highlighted through a detailed analysis of a particular consumption-oriented subculture. For example, Celsi, Rose, and Leigh (1993) examine the role of risk in the sky-diving subculture, Kozinets examines how a subculture forms around a television show to experience a fictitious utopian reality (Kozinets 1997, 2002), Kates (2004) examines the legitimization of brands within these communities, while Quester, Beverland, and Farrelly (2006) examine the ways in which commitment to a subculture is enacted by extreme sports participants.

Each of these studies offers a unique theoretical contribution relating to consumption-oriented subcultures as well as converging on several important key characteristics about these groups. Two of these characteristics are that these collectives are comprised of individuals with differing levels of commitment to the focal activity (e.g. Fox 1987) with the activity dominating the lifestyle of those members who are considered hard-core members of the subculture (e.g. Donnelly 1981) and that engagement with the focal activity involves the enactment of specific consumption practices and behaviors unique to each subculture (Schouten and McAlexander 1995). This kind of identity salience and its link to behavioral enactments are discussed next.

### Identity and Consumption-Oriented Subculture Membership:

Research on consumption-oriented subcultures demonstrates that consumption activities can become extremely identity salient for core members of the subculture (e.g. Celsi et al. 1993; Donnelly

and Young 1988; e.g. Schouten and McAlexander 1995). Turner and Oakes (1986) note as individuals become more embedded in a collective, their perception of self changes from that of an individual person to being an exemplar of the group. This occurs as an individual increases their level of identification with the group though increased involvement, knowledge, possessions related to the identity, esteem related to the identity, and social connections related to the identity (Donnelly and Young 1988; Kleine, Kleine, and Kernan 1993)

As discussed in the previous section, consumption-oriented subcultures are comprised of individuals who vary in their level of identification with the collective, with some members being very closely tied to the group (e.g. hard-core members) and other being only peripherally related to the group (e.g. soft-core or peripheral members) (Fox 1987; Kates 2002; Quester et al. 2006). This intracultural variation results in several important differences amongst subculture members and sub-groups within the subculture. These differences stem from differences in the relationship between the subculture and each member's lifestyle (Donnelly 1981). Specifically, the differences at each level are a function of the amount of information possessed by members, the amount of commitment expressed by members of the subculture, and the degree to which the subculture is a dominant part of the member's lifestyle and constitutes a major component of their identity (Clarke 1974; Donnelly 1981; Fox 1987). Thus, for hard-core members of a subculture, the subcultural activity is *the* dominant aspect of their lifestyle, whereas, for peripheral members of the subculture, the subcultural activity is only a minor part of their lifestyle. Outlined next are the characteristics of hard-core members.

**Hard-Core Members and their Identity Enactments:**

Hard-core members of a consumption-oriented subculture exhibit a high level of devotion to the focal activity, with the focal activity being the dominant aspect of their lifestyle (Donnelly and Young 1988; Fox 1987; Schouten and McAlexander 1995). Consumer researchers have outlined several characteristics of hard-core subculture members. These members tend to know more about the 'backstage' activities and the history of the subculture (Quester et al. 2006), they generally know more about the activity (Thornton 1995), and they are better able to reconcile contradictions within the subculture through the utilization of their broader knowledge base (Donnelly and Young 1988). Hard-core members tend to be more interested in the functionality of objects associated with the activity while peripheral members focus more on the image that objects communicate to others (Donnelly and Young 1988; Quester et al. 2006). Also, while all members of a subculture tend to share the same core values, hard-core and peripheral members tend to be drawn to different elements of those core values and also enact those values differently (Quester et al. 2006). Finally, hard-core members of a subculture often serve as opinion leaders within a subculture and are actively involved with shaping the ethos and behaviors of the collective (Donnelly 1981).

In summary, extant literature suggests hard-core member's commitment to a consumption-oriented community is characterized by an extreme commitment to the lifestyle, large amounts of specialized knowledge, a strong link between the activity and self-identity, and that they differ from others within the subculture. However, while we are aware of the characteristics of hard-core members, very little research interprets why the consumption pattern of the focal activity dominating lifestyle exists and persists. While we have some knowledge of how an individual progresses from a neophyte member of a community (Donnelly and Young 1988), we know little about why the extreme involvement of hard-core members persists over time and how this involvement is

experienced. In addition, our knowledge of the nature of identity enactments amongst hard-core members through group membership and consumption practices is scant.

To address these questions, we conducted two ethnographically oriented studies analyzing the behaviors, and the meanings associated with these behaviors, of hard-core subculture members to explore why their characteristic traits exist and how their identities are enacted through consumption. Such research objectives were deemed imperative given the potential contributions the findings would make to the subculture literature, examining the nature of the hard-core member's experience (i.e. developing an understanding of their passion, commitment, and what keeps them coming back to the subculture). An investigation solely focusing on hard-core members was deemed appropriate as these participants act as opinion leaders within subcultural groups, actively shaping the ethos and behaviors of other members (Donnelly 1981).

## METHODOLOGY

To explore the lifestyles of hard-core subculture members, we conducted analyses of two non-brand based consumption-oriented subcultures: the North American organized distance running subculture and the Australian Hip Hop subculture. These subcultures were selected for this study as both subcultures are firmly rooted in consumption objects and experiences. Furthermore, they have both been shown to be excellent sites for gaining insights about hard-core members' behaviors (Arthur 2006; Chalmers 2006). The inclusion of multiple case analyses allowed the authors to compare and contrast findings across subcultures that differ in both geography and focal activity.

We adopted an existential-phenomenological approach to understand how involvement with these particular subcultures shapes the lives of hard-core members (Thompson et al. 1989). This study relied on two principle methods: prolonged participant observation and in-depth interviews (McCracken 1989). The first author collected and analyzed data on the North American organized distance running subculture, while the second author collected and analyzed ethnographic data on the Australian Hip Hop culture. Both researchers spent a considerable amount of time in the field, 3 and 4 years respectively. This extended presence and participation in the field allowed the researchers to 'learn the language' of those under investigation, to experience life as one of the subjects (Elliot and Jankel-Elliot 2003), and to gain access to, and to understand life through the eyes of, the hard-core subculture members.

During the research process, both researchers kept field notes of their observations and informal conversations, which were then written up as soon as possible after the event. In addition, in-depth interviews with 21 hard-core members of the North American organized distance running subculture (14 males and 7 females) in both Canada and the United States and 20 hard-core members of the Australian Hip Hop subculture (18 males and 2 females) were conducted (McCracken 1989). As the researchers were subcultural participants a good rapport with the interviewees was established which helps to ensure the quality of the information (Elliot and Jankel-Elliot 2003). Purposive sampling was used throughout the research process to identify hard-core members of the subcultures.

The transcribed interviews and field notes were first coded using a free coding technique and then using QSR NVivo/N6 and standard data analysis and interpretation procedures (Glaser and Strauss 1967; Thompson 1997). Important themes and tensions were uncovered through across informant, within informant, across subculture, and within subculture analyses. The findings presented below represent a small subset of the findings from this study and focus almost exclusively on how hard-core members of the subcul-

tures perceive their experiences. As researchers, our focus is on understanding these perceptions through the eyes of informants to better understand their lifestyles.

## FINDINGS

Emergent from the data is evidence of what Belk, Wallendorf, and Sherry (1989) describe as 'sacred consumption' within the respective subcultures. Interestingly, this applied to both objects of consumption and the entire subcultural lifestyle. Hence, the manner in which hard-core members enacted their identities was seen as a rich tapestry of a scared lifestyle through which objects accorded sacred status were woven. While the subcultures were not perceived as actual religions, many aspects of religion, such as passion, meaning, and identity where observed and expressed through sacred subcultural consumption (as with the Apple Newton brand community (Muniz and Schau 2005)) and through the enactment of a subcultural identity. The authors interpreted the deep passion displayed by the participants and the extreme levels of affective involvement expressed for the consumption activities as examples of sacred attachment. For hard-core members, objects, times, people, and places held sacred status within the communities, predominantly because they were perceived as being quintessential exemplars of the subcultural ethos. Further, the holistic subcultural lifestyle exhibited five properties of the sacred (as outlined by Belk et al 1989): objectification, commitment, sacrifice, mystery, and ecstasy and flow. The presence of these sacred-esque experiences form the foundation of the appeal of the subcultural lifestyle, suggesting that the dominating subcultural activity over lifestyle is maintained because it is experienced as a sacred lifestyle.

### Theme 1: Sacred Objects, Times, People, and Places

The first theme that emerged in the enactment of hard-core members' identity through consumption was the admiration and reverence of objects, times, people, and places that take on sacred like status within the community. Findings suggest that the primary reason these objects, times, people, and places take on this status is because they are viewed as being quintessential exemplars of the subculture (see Belk et al 1989 for a discussion of quintessence). Consider, for example, the iconic status of the turntables within Hip Hop culture. For hard-core members of the subculture the Technics brand, and 1200 MK2 model, of turntables are considered to be unequivocally right (and hence the company has not significantly changed the design since they were first introduced in 1978). As these objects are treated with such reverence and awe, it is considered strictly taboo for an individual (especially a soft-core or non-member of the culture) to touch another members' turntables without permission: the sacredness of the object is intricately tied to individual ownership and is threatened by contamination by non-members.

In addition to turntables, our results found several examples of objects accorded sacred like status in both subcultures. Shoes were one object that was considered sacred in both subcultures, but in different ways. Within the distance running subculture, quintessence of running shoes is defined by their functional utility (allowing runners to engage in the activity without injury) and, hence, sacred status for each shoe is only temporary as new technology replaces the old, however running shoes as a product category remain sacred in general. Shoes in the Hip Hop culture, on the other hand, exhibit quintessence of certain brands of shoes, such as the Nike Air Force 1, and the Adidas Superstar. These were defined by their symbolic qualities, and hence the sacred was deemed more permanent. As such, our findings suggest that sacred products that are consumed for their symbolic qualities have more enduring sacred status than sacred products that are consumed for their functional utility. The implications for this interpretation are significant for those brands who wish to be loyally consumed within a subcultural arena.

Interestingly, the recent trend of sneaker manufacturers to reissue classic sneakers iconic to the Hip Hop subculture has made it easy for non-members and soft-core members to consume these shoes. This has had the effect of profaning the sacred through commercialization. As such, in order for the sneakers to retain their subcultural values and representations it is necessary for hard-core members to distinguish between the original shoes and the inauthentic and profane reissues:

> Interviewer: "If I was wearing Air Force 1s, would you make an association with that?"
> Informant: "It depends on whether it's a new school one or a classic, if you're wearing a classic then you're probably a head [slang for hard-core]."

In addition to objects, hard-core members also enacted their identities through the reverence of times that were significant to subcultural history (such as the old-school Hip Hop era, or the 1970's US running era), and times in which they had experienced a sacred experience. In some cases, objects associated with these eras take on sacred properties and are placed on display by hard-core members. These objects include such things as ticket stubs, event posters, race shirts, and race numbers.

In addition, hard-core members of both subcultures also perceived some individuals as sacred-like. The Australian Hip Hop culture's hard-core members considered the founding fathers of the Hip Hop culture, such as Kool Herc, Africa Bambatta and Grand Master Flash, and groups of individuals such as the Rock Steady Crew sacred. While within the distance running subculture, a core icon within the community that takes on sacred status is Steve Prefontaine (an American distance runner in the 1970's). Prefontaine is considered to be the embodiment of the distance running mentality. Furthermore, he represents both a time and a place that are sacred to distance running. Consider these quotes:

> "The whole [Prefontaine]-image…it shows the spirit of running and competitive running. It brings you back to when we were good at running in the United States." [Brayden, male runner aged 21] ; "Oregon [the home of Prefontaine] will always be totally synonymous with long distance running." [Daniel, male runner aged 41]

As illustrated in the above quote, places can also take on sacred status for subculture members, such as Oregon for North American distance runners and New York, the birthplace of Hip Hop culture, for hard-core members of the Hip Hop subculture. In fact, some informants even referred to New York as a mecca-like location: a pilgrimage destination capable of inspiring one with an evangelical zest:

> "I ended up traveling around a bit and found my way to New York…I tried to get some work in design and advertising and stuff, which I eventually did, but I spent most of my time and money just tracking down Hip Hop tours, events and stores and doing all that sort of thing, it turned into a bit of a pilgrimage. That was probably the point that really inspired me and the thing that got me fired up (to create a Hip Hop magazine)." [male Hip Hop member aged 26]

The sacred objects, times, people, and places within subcultures serve as foundational pieces upon which hard-core subculture

members build their identities. The enactment of these identities within the confines of ordinary life take on a unique sacredness transcending that imbued on sacred objects. The sacredness of the lifestyle is discussed next.

**Theme 2: Sacred Lifestyle**

Through our analysis of both subcultures, the theme of sacredness surrounding everything about the lifestyle of hard-core members emerged. What is most interesting about this theme is that it does not only relate to specific events, products, times or other idiographic instances. This theme of sacredness permeates the lifestyle at a marco level and describes the nature of the interplay between hard-core subculture members and their enactments of subcultural identities: even mundane aspects of everyday routine life become experienced as if they are sacred. The manner in which informants described their lives and experiences resonate with themes of sacredness. Drawing upon the properties of sacredness outlined by Belk et al (1989), we find that five properties of sacredness are the best descriptors of the sacred lifestyle for hard-core members of both the Hip Hop and running subcultures. The five proprieties of interest, each described below in relation to our empirical findings, are objectification, commitment, sacrifice, mystery, and ecstasy and flow.

The first property of sacredness that we consider is objectification. This refers to the manner in which mundane elements of life are combined to form a transcendental frame of reference (Belk et al. 1989). From a subcultural perspective, this manifests itself as the focal activity being the dominant framework through which hard-core members experience their lives:

> "If you do run, you have the discipline and the joy of it, you realize how it can make your life better, how it can benefit you and impact you and make other things in your life more clear, more purposeful and all-around better, healthier, happier, more determined. For me, it is the cornerstone that made my life so much more whole." [Aidan, male runner aged 25]

What this quote and those like it indicate is that involvement with these subcultures is not just a part of hard-core members' lifestyles, but the organizing framework around which their lifestyles are enacted. The lifestyle is their transcendental frame of reference.

The second property of sacredness that emerged in both subcultures was commitment. From a sacred perspective, commitment refers to the emotional attachment that individuals feel towards the sacred. In the case of subcultures, this refers to the emotional commitment hard-core members feel towards their subcultural identities and the corresponding lifestyle. This is exemplified in the following statements from Dylan, a former elite runner who experienced a career ending injury:

> "I was a runner. That's who I was. It controlled me…I don't really know when exactly it happened but running just became the focus and every day was geared around the run. Nothing can replace it….[I miss] how alive it makes you feel. That's what I miss about it. It makes you feel so alive to be able to just compete at that high level and ask your body for everything it can give. Running allows you to be really passionate about something. When I talk about passion it's about something that you want to do all the time if you had the chance." [Dylan, male runner aged 23]

Hard-core subculture members are not only committed to the activity in the traditional sense of the word (i.e. continuous engagement), they are also committed to it at an emotional level: a property

of sacredness. This emotional engagement with the focal activity elevates the experience of commitment from the ordinary, as a person might have for their job, to the extraordinary and sacred.

In conjunction with the emotional commitment to the lifestyle, sacrifice also plays an important role in the lifestyle of subculture members. From a theoretical perspective, individuals often engage in sacrificial acts to prepare themselves for contact with the sacred (Belk et al. 1989). Within this context, sacrifice involves forgoing some aspects of life or enduring significant hardship to enact the consumption identity. Hence, while this interpretation of sacrifice is somewhat different to that described by Belk et al. (1989) in that the sacrifice is not to prepare oneself for contact with the sacred, but so that the individual can enact the sacred lifestyle, this theme was evident in both subcultures.

For example, within the Australian Hip Hop culture this sacrifice often involved the extreme commitment of time to their chosen element of Hip Hop (MCing, Djing, Graffiti art, and Breakdancing) such that the members were often unemployed or working part-time positions. In addition, graffiti artists also risked being fined and possible imprisonment, and hence were willing to sacrifice their freedom to enact their subcultural identity. For runners, this sacrifice often manifests itself as an extreme commitment of time, the endurance of physical pain, and the expenditure of emotional energy required to train at highly competitive levels. Thus, as illustrated by the following quote from hard-core runner Tyler, being a hard-core member of a subculture, and reaping the benefits of engaging in a sacred lifestyle, involves sacrifice. This sacrifice, however, is viewed as a necessity of subcultural involvement.

> "It's a lot of work and a lot of time and a bit of pain that you have to run through. You end up running twice a day and when you have other things to do in your life it makes it pretty hard. A lot of sacrifice." [Tyler, male runner aged 31]

The next property of sacredness indicative of the subcultural lifestyle is mystery. Mystery refers to the inability of the sacred to be understood cognitively (Belk et al. 1989). Hard-core subculture members express these sentiments when describing their devotion to the focal activity and lifestyle. Frequently, these members cannot understand their own attachment to the lifestyle and relate it metaphorically as an almost addictive physiological need. Mass MC describes his experiences:

> "I'll go to a classy restaurant with my girlfriend or something and I'll go to the toilet and do [some quick graffiti] in there and then come out, adjust the tie and sit down again. No matter what you do Hip Hop lives in your soul…[It's] just a disease dude. It's like a lot of people are into it because it's trendy. I'm into it because it's a disease, That's all I know: I know my music and I know that hip hop is what I was born to do. I was put here to love it and there's nothing I love more than hip hop."

Brayden expresses similar sentiments in reference to running:

> "The level of commitment for some reason with runners is much higher than other sports. I don't really know why…There's some kind of physical or chemical addiction to running. Obviously this is unproven, but I think that makes sense. I've got to do it. I don't know where the commitment comes from. It's just some kind of inner motivation that you cannot miss a day and you have to do it." [Brayden, male runner aged 21]

The experiences of hard-core subculture members are shrouded in a sense of mystery that allows them to experience their lifestyles as sacred. This mystery seems to add an element of reverence to the activity as their choice to become a member of the subculture is transferred into a lasting involvement beyond that of their rationality.

The property of mystery is closely related to the next property of sacredness evident in our data: ecstasy and flow. This refers to the ability of the sacred to produce ecstatic experiences where a person stands outside oneself. Further, these experiences are often momentary (Belk et al. 1989). The notion of flow refers to an experience where an individual becomes completely focused on an activity and attains a sense of mastery over self and the environment (Csikszentmihalyi 1975). One member of the Hip Hop culture describes his first experience writing rhymes:

"I'd say [I was] eight and it was just totally unexplained. I just felt heaps possessed while I was doing it and afterwards I was heaps relaxed like it was a full release." [Keith, male Hip Hop member aged 23]

Paige, a distance runner, describes a similar experience while running.

"I enjoy the actual feeling of it. Sometimes when I'm on a run I can hear the crunching of the rocks underneath my feet, I look up and I see the beautiful sunset, I see the clouds going over, I think it gets me in touch with my own world. I've had days when I've gone out and just felt like I was floating in water. There were times when I just felt like at peace with myself and my environment." [Paige, female runner aged 32]

In addition to discussing these kinds of ecstasy experiences, the narratives of both hard-core members of the distance running subculture and the Hip Hop subculture contain tales of flow-like self-mastery and self-expression respectively:

"When you're running you get to decide exactly how much pain you're under at any given moment and there's something really comforting about that. Also knowing that you can push yourself more than you thought you could. That's a little accomplishment: just pushing past the pain that you have because you had a point in time where it was actually impossible for you to run that fast, and then you somehow raise that bar and push through that wall." [Megan, female runner aged 24]

"I guess I was more effected by the expression–the boldness of the expression–you know, the immediacy of it." [Jimmy, Hip Hop male aged 18]

Hence, the final property of sacredness indicative of the subcultural lifestyle is ecstasy and flow characterizes the 'outcomes' of subcultural involvement: experiences that move a person beyond themselves, self-expression, and self-mastery.

In summary, the preceding discussion illustrates how the subcultural lifestyle of hard-core subculture members exhibits elements of the sacred. Objectification, commitment, sacrifice, mystery, and ecstasy and flow characterize the lifestyles. It is important to note that while these five properties of sacred were the most prominent in our dataset, other properties of sacred also characterize the lifestyle but are beyond the scope of this article. For example, hierophany was present in the Hip Hop subculture, (for example many graffiti artists view a blank wall, and MCs view an instrumental beat, as something extraordinary) yet was not present in the running subculture.

## DISCUSSION

The findings from this study make several important contributions to consumer research. First, the findings enrich our knowledge of consumption-oriented subcultures and the manner in which hard-core members of these subcultures enact their identities. This study builds upon previous research that describes the characteristics of hard-core subculture members by exploring the manner in which hard-core members perceive their subcultural experiences. We find that the experiences of hard-core members reveal an entire lifestyle exhibiting elements of the sacred. In addition, hard-core members enact and affirm their consumption through the sacred consumption of objects, times, people, and places. Given this continuously reinforced everyday experience of sacredness, it is not surprising that hard-core members of subcultures exhibit high levels of devotion to their subcultural identities and lifestyles.

A second contribution of this study is that it expands our understanding of the domains in which sacred experiences can occur. Traditionally, sacred experiences and objects were conceptualized as being separate from ordinary life, which is thought of as profane. We expand this conceptualization by demonstrating how the sacred is experienced within everyday life. For hard-core subculture members multiple aspects of their ordinary life express some property of the sacred. These elements combine to form an overarching and cohesive sacred lifestyle that exists within the domain of the ordinary. This persistent existence of the sacred within the ordinary presents an interesting expansion on conceptualizations of sacredness.

A third contribution of this study relates to the two different subcultures used as the contextual domains for our research. Given the use of two subcultures that are vastly different in terms of both the nature of the activity as well as their geographic location, it is interesting that we find such a high level of theoretical convergence in the nature of the subcultural consumption enactments of hard-core members. This demonstrates that, despite the superficial differences in subcultures, the members of these groups experience their lifestyles in very similar ways. While it is impossible for us to generalize our findings to all subcultures, this research provides some empirical support for the notion that commitment to subculture identities is not necessarily a function of the utility of consumption practices but rather the result of interplay between an individual's identity and their enactment of that identity. Sacred consumption practices serve as a conduit through which the lifestyle associated with an identity is enacted.

Despite these contributions, there are two major limitations of this study worth noting. First, this study focuses exclusively on hard-core members of a subculture. Future research should examine the enactment of identity with other kinds of subculture members to better our understandings of subcultural consumption practices as a whole. Second, this study focuses on the similarities between the organized distance running subculture and the Hip Hop subculture: the differences between these subcultures should also be explored.

In conclusion, the purpose of this study was to explore the nature of hard-core members of consumption-oriented subcultures identity enactment. We conducted analyses of both the North American organized distance running subculture and the Australian Hip Hop subculture. Our findings show that, in addition to the subculture having several sacred objects, the entire subcultural lifestyle exhibits elements of the sacred.

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# Musical Effects: Glocal Identities and Consumer Activism

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## ABSTRACT

This study provides further insights into the processes that occur in accomplishing identity projects in modern consumer culture. Especially illustrated is the role of cultural elements, specifically represented by (rock) music. In our four-year long fieldwork, we observe that musical codes are instrumental in shaping consumer identities. The relations between music and consumer activism are demonstrated. Transformations in conventional modern identities are found. The preliminary findings reveal that music, specifically rock music, enriches the modes of being in the world. Consumers enjoy experiencing and contesting all modes of being during their consumption experiences in the glocal rock festivals.

## INTRODUCTION

How does music taste affect social experience and cultural changes? How do collective actions such as consumer activism relate to music taste? How is a global commodity such as rock music juxtaposed with consumer activism against one of the leading global brands, that is Coca Cola? These were some of the questions as we began this study.

Cultural effects in social movements can be observed through songs, art, literature, ritualized practices, and retain their presence in collective memory even in the absence of particular political platforms. However, cultural work is often subsumed in more immediate political tasks and is seldom explicitly regarded. In many social movements, activists try to distinguish the political from the cultural. Partly as a result of this separation, social movements are usually discussed and interpreted in political terms.

This study illustrates that the experience of activism is closely related with the issues of identity. In fact, consumer identity projects are widely studied and it is known that the marketplace has become the preeminent source of mythic and symbolic resources through which people construct narratives of identity (Arnould and Thompson 2005). The role of aesthetics in the ideological mapping of consumer identity projects via brand meanings and fashion styles (Thompson and Haytko 1997; Murray 2002; Sandıkcı and Ger 2005) and communities (Muñiz and O'Guinn 2001) have also been studied. However, the literature still has gaps to answer how significant the cultural (i.e., musical) codes are in shaping identity or identities in such contexts.

This paper attempts to illuminate our research questions concerning how musical codes become instrumental in shaping consumer identities and reports the preliminary findings from a four-year long consumer activism study completed in Turkey.

## THEORETICAL FOUNDATIONS

### Music and Social Movements

Social movements are not mere political activities. They provide spaces for cultural growth and experimentations. For example, musical and other kinds of cultural traditions are made and remade in social movements. After the movement comes to an end, the music remains as a memory and as a way to inspire new activities. In omitting cultural elements, such as music, processes of social movements have generally been attributed either to anonymous universal sources, such as modernization, capitalism, or imperialism, or to charismatic leaders and powerful individuals.

Eyerman and Jamison (1998) argue, in opposition to these dominant approaches, that the collective identity formation taking place in social movements is a central catalyst of broader changes in values, ideas, and ways of life, and that social movements are key agents of cultural transformation. The evolution of the music industry with social movements in Sweden since the 1970s, the role of counterculture in the case of East Germany that accelerated the collapse of the Berlin Wall can be mentioned as examples (Wicke 1995; Garofalo 1992; Eyerman 2002).

In the 1960s, Herbert Marcuse emphasized the aesthetic dimension of movements of the time by arguing that it was primarily through art and music that social movements were remembered (Eyerman and Jamison 1998). Touraine (1981), and Melucci (1989, 1996), also stress the significance of cultural aspects in social movements. As Touraine (1988) notes, the central cultural issue underlies the formation of the self(-definition) or identity. For Melucci (1996), social movements are symbolic actions which enable people to create new forms of collective identity since the results of movements can be seen as codes or signs to challenge the dominant political order. Thus, Melucci reduced the abstraction of social movements into fields, arenas, forms, logics, and symbols, to illustrate that a social movement constitutes a semiotic culture of codes and symbolic meanings. In this culture, actors have expectations of proportionate rewards with their (material and immaterial) investments as they constantly make comparisons to realize their identities. Melucci (1996) argued that in order for the conflictual response to an expectations-rewards shortfall to be chosen from among the many alternative lines of action, at least three conditions must obtain: First, there must be a temporal continuity and consistency of the activist; secondly, there must be a tangible adversary whose action affects the activist's reference field; lastly, the activist must feel a sense of ownership over the object.

Combining culture and politics, social movements serve to reconstitute both, providing a broader political and historical context or cultural expression (Eyerman and Jamison 1998). Cultural traditions are mobilized and reformulated in social movements, and this mobilization and reconstruction of tradition become central to what social movements are as well as to what they signify for social and cultural change. Songs can invoke emotions and act as a vehicle for the diffusion of ideas of a movement into the broader culture. The evolution of the song, "We Shall Overcome," is a good example. It shows how traditions can link some social movements by providing a link between ideas and images, and generations of activists. First, in the Nineteenth Century, there was the gospel, "I'll Be All Right," then, in 1901, a similar song appeared, "I'll Overcome Some Day," which then became "We Will Overcome," the plural pronoun replacing the singular (reflecting a shift in the locus of redemption, from sacred to secular, or at least from the individual to the group). Later, a more grammatically correct form was introduced, probably by Pete Seeger: "We Shall Overcome." This song no longer belongs only to its birthplace, but it has become an anthem of social movements and sung in many local languages, including Turkish.

Many social movements bring earlier movements back to life through the memory of songs that were sung and the images that were elicited, often by giving them new meaning (Eyerman and Jamison 1998). The worldview assumptions, the underlying beliefs, are articulated as much through art and music as through more

formalized written texts. In particular, singing songs, as bearers of traditions, are powerful weapons in the pursuit of social movements.

### (Rock) Music and Consumer Identity Projects

Holbrook (1986: 615-6) introspectively recounts how he tried to remain hip with the music he listened to: "Cherishing my adolescent musical iconoclasm [Elvis Presley] like a rare diamond, I searched for a way to remain hip…[A]t Harvard College...[m]y deus ex machina was the Beatles…[but] everybody loved the Beatles."

Music is a practice that is capable of prefiguring changes in the political economy and in social developments to the extent that the code of music simulates the accepted rules of society. A "herald, for change is inscribed in noise faster than it transforms society" (Attali 1985: 5). Boundaries of musical-aesthetic discourses in representing or appropriating other music or culture, are important as they can facilitate articulation of socio-cultural identities (Grossberg 1991). Music engenders communities or scenes, and allows a play with, a performance of, and an imaginary exploration of identities through the aesthetic pleasures received (Stokes 2000). Music can both construct new identities and reflect existing ones. In other words, music has a formative role in socio-cultural identities. In fact, socio-cultural identities are not simply constructed in music as there are "prior identities that come to be embodied dynamically in musical cultures, which then also form the reproduction of those identities–no passive process of reflection" (Hesmondhalgh and Born 2000: 32).

The quest is no longer for an identity but identities due to an affluent image culture (Kellner 1992). As Kellner (1992: 144) claims, "the subject has disintegrated into a flux of euphoric intensities, fragmented and disconnected, and the decentered postmodern self no longer experiences anxiety and no longer possesses depth, substantiality and coherence that was the ideal and occasional achievement of the modern self." Fırat, Venkatesh, and Dholakia (1995) regard this as a search to (re)present marketable self-images via interacting with other objects to produce one's selves. Hence, postmodern consumption is no longer an end in itself, rather a productive process. Within the context of dance or rave culture Goulding, Shankar, and Elliot (2002) illustrate Fırat and Venkatesh's (1995) point that "there is no single project, or no one lifestyle, no sense of being to which the individual needs to commit" in contemporary culture. Subsequently, they interpret the juxtaposition of contradictory emotions and cognitions regarding perspectives, commitment, and ideas during identity formation in such rave communities as an indication of the emancipatory condition of postmodern fragmentation.

Musical effects are always replaced by their discursive and social contexts. Music makes possible identities available, constructs audiences, rather than represent pre-existing social facts (Frith 1981; Middleton 2001). Thus, as a cultural object, music constitutes a complex constellation of mediations (Born 1993) for identity projects. Particularly, rock music, as a successfully differentiated commodity, is positioned as a political genre and amalgamates its own social structure all over the world, with shared values (e.g., sense of freedom, oppositionality, rebellion), beliefs and myths. History of rock music reveals that by linking music, showmanship, lighting, poetry, politics and image, a complex cultural context and form have been created. In rock music, the context becomes a component of the lyrics, a component of a cultural text formed from cultural symbols of images, technology, fashion, leisure objects, and everyday materials of consumer society. Rock music imposes conditions and has cultural impositions

which allow it to become a symptom of fundamental changes in societies (Wicke 1995). The ideology of rock is not just a matter of notes and words. Rock fans know what they mean by *rock* empirically, but the descriptive criteria in use are diverse and frequently inconsistent. Rock does not just symbolize musical means, but also refers to an audience, to a form of commercial production, to a liberated sexual expression, to an artistic ideology, i.e., rock has the creative and revolutionary integrity that pop music lacks (Frith 1981). Hence, as it provides a convenient ideological medium for the consumer identity projects and consumer activism, it is unsurprising to find rock in political movements.

### Rock for Peace: Consumer Activism at a Rock Festival

Rock music has a long tradition in Turkey (the first rock concert was held in 1957). Rock is called "rock," but consumed in Turkish. Rock concerts or rock bars are a part of daily lives in major cities, the concert or show contexts have been converted into a rock festival format only in the last few years. The festival, a larger event than a concert, indicates the increase in the popularity of rock in Turkey (Yazıcıoglu and Fırat 2008). The first rock festival, *H2000*, was held in 2000, but a flurry of rock festivals has started with *Rock'n Coke* and its rival festival, *Rock for Peace* that both aimed to own the legacy of rock by reminding the legendary Woodstock '69 (Yazıcıoglu and Fırat 2007).

The *Rock'n Coke* Festival was first held in 2003 as part of *Coca Cola*'s Soundwave Project in Europe, including France, Denmark, etc. Not everybody was fond of the idea of this festival. First, "real rockers" in the public, including several columnists, criticized the exploitation of the capitalist *Coke* with the "anti-capitalist" rock. Leftists and Islamists described it as a cover-up operation disguised to make people forget that the *Coca Cola* Company was one of the major agents of globalization and cultural imperialism. Featuring world-famous groups such as The Cure as the headliner, food and beverage facilities, a theme park in addition to shopping, several multinational company (e.g., P&G featuring its shampoo) stands, an intense bombardment of TV commercials, as well as outdoor ads have all contributed to the popularity of the festival. Each year, more than 30,000 people attended the festival for two days (some of them stayed overnight in camps paying extra money for the privilege).

*Rock for Peace* Festival was organized on the same weekend to protest Coca Cola in 2003 and 2004 by a group of activists consisting of musicians, students and simply "activists." The festival participants were able to stay overnight in cheaper tents and worse conditions regarding toilets and facilities than at *Rock'n Coke*. However, the more popular *Rock for Peace* has become over the years, both the nature of the protests and the participants have changed. The activists have started to include anti-globalization views more into their rhetoric. By 2005, they announced that *Rock for Peace* was no longer positioned against *Rock'n Coke*, and that the festival would be organized one week earlier. That year the laid-off Coca Cola workers joined the festival by the help of unions. The rituals at night with marches and torches contributed to the activism spirit of the festival. Although the activists eliminated the entrance fee after the second year, due to its increasing popularity *Rock for Peace* started to generate considerable revenues that are handed over to third parties to organize the stage, equipment, and security, with exclusive rights to sell food and beverages in return since 2004. That is, activists only coordinate the artistic features (e.g., stage performances, selections of bands, and speeches), media relations, and participation of other civil rights associations and unions. The 'competition' with Rock'n Coke also took place in regards the music–the headliner was not The Cure, but equally popular local

rock bands. Without any media support and with no advertising budget, in 2006, the number of participants reached around sixty thousand, which was close to *Rock' n Coke*.

In Turkey, activists call themselves "aktivist," not using the corresponding word in Turkish. In 1980, there was a military coup in the country. Following 1983, the introduction of liberal economy, accompanied by accelerated globalization in the world, has changed the social and cultural dynamics in the country. Two of the most important consequences have been the depoliticization of the youth and the change in the social sphere e.g., civil rights associations have started actively operating. The last decade has witnessed the re-birth of activism in human rights, global warming, charities, etc.

## METHOD

Data collection contains several methods to provide insights into the meanings of consumption of music in a context where social activism takes place. These include participant observations at the *Rock for Peace* Festival (2004-2005-2006) and its organizers' meetings before the festival. Photographic records as well as videography, 26 in-depth interviews with activists, musicians, participants and academics, analysis of two-year-long discussions of two e-groups (www.eksisozluk.com–a wikipedia-like online dictionary where the entries are all subjective definitions–and barisarock@yahoogroups.com–the e-group of *Rock for Peace* activists), and conversations with activists constituted the major resources of data. The texts were analyzed using semiotic and narrative textual analyses (Barthes 1973; Patton 2002). A discussion of some of the preliminary findings from this research is as follows.

## OBSERVATIONS AND FINDINGS

The analyses of the data collected reveal several illustrations of identity formation and instrumentalization of music. One is the trial of identity combinations utilizing the contexts of both music and activism.

### Identities of a "Rocker" Activist

We first became acquainted with her at the meeting of activists at a rock bar used for the Wednesday meetings at six pm., during the whole second year of organizing *Rock for Peace*. In her strapless black summer dress, she was not one of the leaders of the activists. She often just listened to the discussions, quietly, drinking beer. Although activists claimed no hierarchy, it was easy to observe who was leading. There were only three unwritten rules: Attendance, follow-up, and bringing a solution instead of criticizing others' opinions and deeds.

Next, we saw her as she was performing on stage in front of hundreds of people as the lead vocal. Her band was one of the initial performers during daytime, the time assigned to less popular groups. Her band played only a few songs that did not excite the crowd, except a small group of people in the audience close to the stage who seemed dedicated to cherish each and every minute of the festival and each performance. She wore a suspended black shirt and jeans. The black accessories at her wrists and ears signified her rocker look.

Later when we spotted her she was in front of the TV cameras. She must have changed her outfit after the performance. Her small arms in a sleeveless black shirt waived to add emotion to her explanations of what the activists wanted to achieve in the festival. They were naturally against injustice not only in their country of origin, but were also fighting against global unfairness and inequality. Did people know how many Africans would not have starved to death if Americans drove SUVs less, or that the Kyoto Act was not

sufficient to protect nature? The usual activist jargon we heard during the interviews became softer and her voice calmed down when the TV reporter asked about her stage performance. She explained how their music differed from other rock bands and what their future goals were. She also emphasized the relations between a rocker identity and politics. Everything was inscribed in their lyrics in which they protested the injustice.

A lead vocal at a rock band, an activist, a member of the collective action; she was not only one of them, she was all of these identities, and maybe more if given a chance.

### Experience of Activism in a Rock Festival: Activentertainment

The whole experience of the festival illustrated the organization of a collective action with the help of rock music. The popular political form of music was used to be the stylized folk songs in Turkey rather than rock. Association of rock with crowds in protest started in the last decade. Previously, capitalism, right wing politics and inequality were protested in the songs. Today, conventional leftist rhetoric seems to be replaced by anti-globalization, anti-war, anti-corporate, and anti-brand expressions in the rock music context.

Activists at *Rock for Peace*, with an average age of 26 (ranging between 17 to 59), typically consisted of people who work part-time. Mostly representing the mid to low social strata, they generally lack a proper college education in a country where it is 'mandatory' to be a college graduate to find a *proper* white-collar job. Being a member of activism means a lot otherwise. It signifies one as a being in society and as a member of a meaningful and important (global) cause: peace. Activists at this festival also believe that they contribute to improving awareness of the unconscious, depoliticized youth in the country. Interestingly, it seems that the youth either become depoliticized or deeply involved in politics at the age of 16. It is clear that, for the politically active, activism and rock music as means for reaching other people connote their presence in the world.

There are a few other contributors to the effort, such as lead guitarist of a rock band from the 1960s. His presence and contacts help to promote the festival to other rock bands. There are also two activists who work as reporters at a leftist newspaper and handle press related issues. Despite their effort, it is obvious that the majority of the press that receives its share from the huge promotion budget of *Rock' n Coke* show no interest in *Rock for Peace*.

I started to be involved with politics seven years ago. I was against the war then as I'm today. I have always been against brands and hierarchy. Then, I learned that *Coca Cola* was going to organize a festival called *Rock' n Coke*. As rockers and peace-lovers, we, 15-20 people, who wanted to create a counter movement, started *Rock for Peace*. (Activist, M, 23)

> I studied law, but couldn't graduate because I got bored. I'm not doing anything to do with law, but I have worked at different jobs. I have always been interested in social causes and participated in several campaigns. At the moment I am the manager of a rock band. (Activist, F, 36)

> We're young, we have so many dreams, we are flared up about even the smallest things, but calmed down with the smallest things as well. Apart from all of these, we are dreaming of the same classless, borderless world where there is no exploitation. If we want to talk about the most basic things here [*Rock for Peace*], we can say that if these people want to unite, [we can] under the dream of an unoccupied society in peace. (Activist, F, 26)

*Researcher*: What is the main issue in this festival if it's not anti-branding?
*Interviewee*: "Increasing awareness" and to establish a platform to express this awareness. To provide a mission! (Activist, F, 36)

Emphasizing the importance of their consistence and continuity (Melucci 1996), activists often emphasized how few of them there were in 2003. These initiators are de facto leaders of the organization although they claim to eliminate hierarchy. In fact, they moderate the organization committee discussions and often lead the task groups (e.g., to organize non-monetary functions at the festival arena, such as the distribution of the stands, working with unions, other civil rights associations and theatre groups, etc.) as the 'more experienced' ones.

She is only 17, she has the same rights as a union's president and nobody is bothered by any other. They have equal rights to speak. Everybody has to convince each other. This is a very good and established mechanism [in the *Rock for Peace* organizing committee]. (Activist, F, 36)

There is no leadership. Those who know each other from political groups came together. There are also people who have devoted themselves to the peace campaign. (Activist, M, 23)

The most apparent distinction emerges during the day of the festival at the backstage. Only those 15-20 people are allowed to be backstage. The researcher was also admitted to backstage in 2006, and able to take some photographs and film.

The privileged 15-20 determined the order of the bands and walked on to the stage a few times to salute the audience with slogans. Despite *de rigueur* serious look on their face, they seemed to have as much fun as the audience both during the concerts and in the camping area.

What we are doing here is activentertainement [activism and entertainment] by the way we admire or identify ourselves. Yes, we are having fun, but also dealing with activism. Because it's a festival, but a different festival, it has an attitude, a political attitude. (Activist, F, 26)

When the night comes, there remains no ideology, only music. They can now sing songs, even love songs. (Academic, F, 35)

Since then, *Mor ve Otesi* [The most popular rock band in the country. In the last decade, despite the illegal music downloads and piracy, each of their albums sold around 300,000 copies–a record in the country's rock music history] is an activist band in the anti-war movement, I mean, you can see them at every activity. I see them by my side on the streets, in the stands, in other campaigns; they are not as unreachable as people think. They are activists like us. (Activist, F, 36)

The organization committee was hoping for, but not expecting a crowd equal to *Rock' n Coke*. Obviously, headliner bands played an important role in the increased popularity of both festivals. Despite the small difference in the number of people attending the two festivals, given *Coca Cola*'s advertising budget, ceteris paribus, this is still a victory for the activists.

## Instrumentalization of Music and Transferability of Identities in the Communities

Identities are constructed to make us have meaning in our worlds–worlds that are self-defined and worlds through collective actions. First, the 'festival', both a product and an experience of the activists, has endeavored to find its own identity through their community (Fırat and Dholakia 1998). At the beginning, *Coca Cola* was just a symbol of what they were against: the multinationals, globalization and inequality. Later they became aware that being a rival to a single global brand was a limiting factor for their goals and ideals. Both the activists and the participants searched for more comprehensive a definition as the festival grew and the festival grounds contained many different events. Starting with the organization of the 2005 festival, the decision was made that the activists no longer wanted *Rock for Peace* to be known as the counter festival to *Rock' n Coke*, but that 'the counter' image should be maintained to show that they did not conform to the 'system'.

It's not only a music festival; with speeches, stands, theatres, it's a culture festival as well. Although it's been positioned against *Rock' n Coke*, an organization which now stands on its own feet. (tuonela, posted on <*eksisozluk*>, August 28, 2005)

Rock for Peace Principles: 1) It has never been "commercial." It has promised not to touch the money that will be "earned", 2) It has resolved everything other than the compulsive items with cooperation spirit, 3) Its only agenda and problematic have been "peace." It worked for the peace culture and peace call to become spread, and part of the international anti-war activism. (moderator, posted on <*barisarock@yahoogroups.com*>, January 2, 2006)

Some activists take things more seriously. Rock is a safe ground for activism and activism makes their lives seem more meaningful; simply being a rocker cannot justify their political being. Above all, rock also has hedonistic associations that contradict with the seriousness of activism. They have the self-tolerance for hedonism, but in a collective action, they do not confess to it openly in order not to risk their rewards. However, they seem to experience this conflict:

Having fun for the sake of having fun is totally a different ideology. (Activist, M, 33)

When I had started to express myself with a socialist identity, I quit associating myself with rock. When you read a couple of socialist books and start seeing yourself as an important person in a big struggle with the system … you can start preferring the shitty voice of Livaneli [a leftist singer] rather than Robert Plant's. (Ex-Rocker/Activist, M, 38)

Those who go to *Rock' n Coke* only listen to music with no message. You cannot say that "war is good," or "nuclear weapons are great." If you cannot utter praise, you don't talk about it in such a place, hence, there is only music, that's all. Perhaps, they also have fun there; but that must be weak fun–without any spirit. (Activist, M, 33)

As the identity of the festival was being shaped by rock music, so were the collective identities that were essential to maintaining their communities:

Just because of the rebellious nature of rock music, all of them feel like protesting their own environs in my opinion. They become a part of this rebellious attitude by listening to rock … At *Rock'n Coke* there is a community that is based on 'difference', everybody does something different to differentiate himself/herself and say "OK. I am now in this system, but as myself, as someone unique." Hence, they do not recognize any norms, their hair is, how do you say, rasta, is it rasta? They put on the trendiest or the weirdest outfit, etc. This is a need to identify themselves as more different than the others. This is like wearing black shirts at *Rock for Peace*, a common attitude… People in *Rock for Peace* distinguish themselves through similarity (Academic, F, 35)

But rock music is noble by birth. It is rebellious and has an attitude. Rock music should not be purchased or sold, not can it be bottled. Rock music is rebellious, rock music is a cry. (Activist, M, 23)

The festival that was initially covered by rock emblem provided both activists and participants a rich medium to shape or link their identities. Search for an identity through rock music or a meaningful self can all be realized at the festival where the unwritten rule is "you will not be held responsible for the things you do during these two days" or "you are free to do anything you want;" a sense of freedom and an "escape." In a country such as Turkey where modern ways of leisure constitute a relatively new lifestyle, a festival and a music genre that is rock may represent different meanings as observed during our analysis and in the in-depth interviews:

It is so obvious that there is an identity you acquire by listening to rock music. You like that identity. I mean, [identity of] being a cool person. You can't exactly define that cool attitude initially, but when at school, and even nobody understands, you feel like building a self-charisma, by saying "I listen to Pink Floyd." (Ex-Rocker/Activist, M, 38)

They try to make use of rock music's manner of protest. They become a part of that protest, by listening to rock. (Academic, F, 35)

Characteristics of the festival, such as its 'sincerity', seem to be a contagious element, which is conveyed from participants to the activists. Their major claim to prove their sincerity is rock music, a genre that only those who are sincere can listen to.

Rock for Peace is the most sincere rock festival. (Participant, M, 21)

It's [*Rock'n Coke*] not even a festival. It's something like an exploitation festival, they both advertise their product and grab young people's money. I mean it's an insincere business. (Activist, M, 23)

The nature of *Rock for Peace* has changed due to its becoming equally popular as *Rock'n Coke*. Although the activists eliminated the entrance fee after the second year, and this exclusion of commerce from the artistic domain symbolizes the protection of amateurism and naiveté for activists, the market logic has slowly become apparent in representations and orientations of the activists due to their increasing power, pointing to tensions between collective and individual identities. Despite this tension, participants at specifically a 'rock music festival'–devoid of the other causes like anti-globalization, ecological concerns–feel that it provides a space for them to express themselves:

I can express myself very comfortably. I can say whatever I like, this is a space for me, a space I can do whatever I want. I can't find freedom outside, but I find it at *Rock for Peace*. (Activist, M, 24)

It's not a youth festival, it's surely a rock festival. It emphasizes rock. It's something to do with the roots of rock. It's the sound of opposition, it's in its tradition. (Activist, M, 33)

If there were no rock music, there wouldn't be any *Rock for Peace*. There are other festivals in addition to *Rock'n Coke* in other genres, such as jazz, although they are not as popular as rock festivals. There have been such festivals for a hundred years. Why rock music? Because, it was the music of the collective movement of the 60s and 70s. It was born in a mass movement. Hence, it is not surprising to see rock music in such a movement. (Activist, F, 36)

Eventually, the success of *Rock for Peace*, which started as a means to protest against the dominance of the market, has become an end in itself due to its increased popularity and despite activists' excluding themselves from "the business side," the unavoidable income generated from festival facilities. Ironically, market influence has also been reflected in the increase in the number of adversaries (i.e., Coke has not remained as the only adversary), and in the number of supporters. Previously hesitant 'activist'-rock bands strive to perform in this now popular and crowded festival, but unfortunately not all of them are 'eligible', as the activists aim for the best to 'serve' the audience better.

The conflicts are contested openly in a democratic manner, but that is generally not sufficient as "…the actor expects certain rewards because s/he recognizes, and attributes value to her/his own investments (the effects of the action) and looks to others for them to lend the same recognition" (Melucci 1996: 56). At a rock festival for peace, the paradoxes emerge in the efforts to achieve social recognition through the success of activism and through the success of the musical performances. For most of the rocker-activists, these are inseparable as they compare the rewards and investments constantly in a context where they strive to realize their identities both as rockers and activists.

I see such things in our organization of *Rock for Peace*, but cannot tell anybody. I mean at a peace festival, some rock bands are fighting with each other. "Why is that guy not doing anything?" or "I am the toughest activist" or "I am the most political," are the nonsensical stuff they say. This is one of my biggest concerns at the moment. We have to understand those children. They live intensely and work like crazy. The guys whose music were not liked by them [the fighting rocker/activists] become popular in the market and they start despising this "popularity." However, if they had the chance, they would also want to become popular. I see all of these, but hardly talk about these, because I know rock bands which are both popular and make good music. I try to establish a balance among *Rock for Peace* activists … At such a festival, self-denial is important as well, but that's not easy. (Rocker/Activist, M, 59)

**FIGURE 1**
Consumer Activism in Rock for Peace
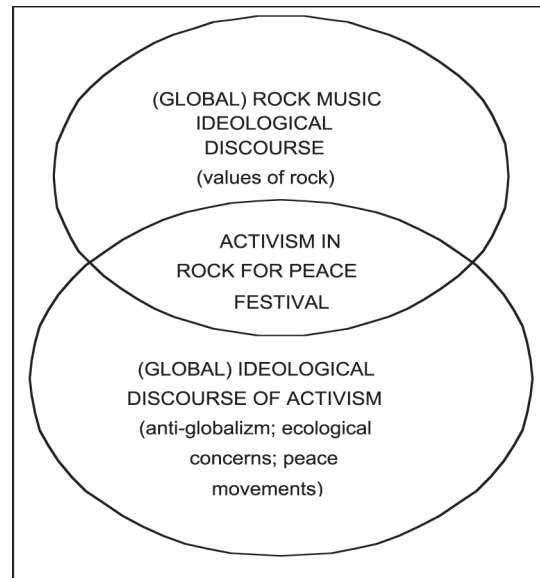


**Collective Production: Emergence of Global Activism Discourse**

*Rock for Peace* activists share the concerns of Seattle 1999, and more importantly they think that they are one of the successors of the global activism community (Figure I). The conventional leftist recipes were no more sufficient, they needed to find other solutions to the 'global' problem. Associating themselves with global processes and counterparts seems to improve the significance they perceive in their existence. Similar findings in previous research (Fırat 2004; Kozinets 2004) indicate the importance of shared values of global activism in people's willingness to become involved in contemporary social movements. That is the reason why organizers of *Rock for Peace* have chosen to share various other concerns of global activism instead of targeting a single global brand as their adversary. Furthermore, this stance establishes international liaisons that make the festival a greater 'happening', i.e., bands from Ireland, Spain, Armenia and Egypt performed in 2007. Rock music acts as the amalgam in this collective production.

> We have a political perspective. We don't stare at each other and ask "What shall we oppose today?" We don't make up things. It may be a cliché, but this is the anti-globalization movement that developed after Seattle 99. (Activist, F, 36)

Activists also point to a change in conventional politics. The strict ideological stances of traditional leftist views are dropped and, importantly, distinctions such as left and right are paradoxically juxtaposed, constituting contrarieties rather than exact opposites. The causes are greater than strict political stances. Such positions imply the postmodern condition (Fırat and Venkatesh 1995; Fırat and Dholakia 2006).

> *Interviewee*: It [activism at the festival] is both joyful and also outside the long-standing leftist tradition–something exceeding that, something where you can express yourself comfortably.

*Researcher*: How do you describe the traditional leftists?
*Interviewee*: It's both looking at the world in clichés and behaving in clichés.
*Researcher*: What kind of clichés are they?
*Interviewee*: It's like speaking in clichés without understanding what kind of problems people have and offering some ready-made recipes; it's something that doesn't to lead to any change.
*Researcher*: What did the traditional leftists fail to understand?
*Interviewee*: I mean they didn't understand that the world had changed; the people on streets, those who are not among them wanted to change the world as much as they did. They didn't understand that they have common problems. (Activist, F, 36)

> To me you have the chance to realize collective actions today. There could be big social changes, there is an opportunity for that; there are hints of that. There are mass movements, not only the anti-war movements ... That's why we should not act in a protective manner, you don't need to protect yourself from your environs, on the contrary, you have to be open. The more we are open, the more we have a chance to see how many people there are we can get along with in the world. Those guys were from AKP [a conservative political party], Islamist people. We sat together and chatted about the system, opposition, capitalism. How similar were our rhetoric! I see and experience that so often. Previously, we were trying to convince everybody as to how the system makes our lives worse. Now, the evils in the system are not disguised, everybody sees that. (Activist, F, 36)

**CONCLUSION**

This study provides further insights into the processes that occur in accomplishing identity projects in modern culture. Especially the role of cultural elements, specifically represented by (rock) music, is illustrated. Also demonstrated are the relations

between music and social movement activism. First, it is observed that both music, specifically rock music, and consumer activism prepare the convenient ideological ground and multiple cultural codes for consumer identity projects. Evidently, the richness of the experience not only tolerates, but also encourages multiple identities. That is, being a rocker and an activist is more preferable, but also neither the rocker nor the activist presents a single type. There are multiple modes of being a rocker; the same is true for the activist. Festival goers encounter multiple possibilities and try different combinations.

In the festivals rocker identities point to glocal identities. Sharing global values of the rock culture is, nevertheless, accomplished through internalization yet appropriation to emphasize local occurrences–such as the firing of unionizing *Coca Cola* workers–but within the global framework of anti-corporatism and anti-globalism. Furthermore, only being a rocker is not sufficient for the ideals of activists. Hence, the ideological discourse of rock music meets the globally shared values of counter-culture causes that correspond to the image of rock. In the intersections of the global and local symbols that identify rock and activism at the festival, choices for identity become possible to adopt and to experiment with.

We find transformations in conventional modern identities. For example, left and right wing politics and identities are no longer positioned as exact opposites. One reason seems to be that new global habitats have engendered mutual adversaries, such as income inequalities among social classes and nations. Moreover, global concerns such as global warming are seen to constitute the greater danger for everyone. Hence, life is contested on the same grounds among different communities, leading to a third insight, which is the importance of collective action and communities in identity projects. In collective action, multiple identities were enabled to emerge in the safety of being under the umbrella of a community. No individual identity project was observed. Significantly, there is initially a collective production in the *Rock for Peace*. The festival identity was established in order to validate the identity of the community. Consumers, then, preferred to act as part of a community.

During both the fieldwork and the analysis, we challenged the data with the following question: "What would have happened if there were only one single project of activism? For example, would they rather organize a 'Peace Festival', with no music?" Most of our respondents found this question to be meaningless or absurd. "Exclude music from activism?!" Music was there, music had to be there. Without music *Rock for Peace* activists would not have organized a festival; without the music at the festival, messages would not be conveyed to anyone. It was also the music that made different identities possible: Rocker-activists, activists who like dancing, rock musicians who work for the global problems (using U2's Bono as an example). Music, specifically rock music, contains various cultural codes, enriching the modes of being and consumers enjoy experiencing and contesting them during their consumption experience.

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# The Antecedents of the Consumer Complaining Behavior (CCB)

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## ABSTRACT

This study aims to test a theoretical model which attempts to integrate different streams of CCB and analyze it among Brazilian consumers. Two levels of severity of failure between-subjects design was used. A total of 480 students were exposed to a written scenario describing a restaurant experience. Dissatisfaction level, attitude towards complaining, self-confidence and perceived likelihood of success influence complaint, word-of-mouth and switching intentions, but in different manners. Consumer self-confidence is the main driver to complaint while dissatisfaction level the most relevant for negative WOM and switching intentions. Attitude towards complaining moderates the relationship between dissatisfaction level and complaint intention.

## INTRODUCTION

Researchers and practitioners have begun to recognize that the study of consumer responses to marketplace dissatisfaction has significant implications for such key phenomena as brand loyalty and repurchase intentions (Day 1984), market feedback mechanisms and new product development (Fornell and Wernerfelt 1987) and consumer welfare (Andreasen 1984). Firms can heighten their customer retention rate, protect against diffusion of negative word-of-mouth, and minimize disadvantages by effectively managing post-purchase consumer dissatisfaction (Tax et al. 1998). Moreover, complaining increases long-term satisfaction by facilitating the venting of the source of dissatisfaction (Nyer 2000).

Unfortunately, most dissatisfied consumers exhibit indirect behaviors, such as negative word-of-mouth and exit, rather than complain directly to the firm. Empirical studies report that at least two thirds fail to inform their dissatisfaction to firms (e.g., Richins 1983; Andreason 1984). Consumer reactions to dissatisfaction consist of multiple responses that consumers adopt in order to deal with a particular dissatisfying situation, including complaining to the seller, communicating negative word-of-mouth, switching supplier and taking legal action (Singh 1990).

Despite the strategic importance of consumer reactions to dissatisfaction, the current understanding is somewhat limited. Marketing literature on consumer responses to dissatisfaction has focused on identifying various determinants of consumer complaining behavior (hereafter referred as to CCB), although we find the following gaps: first, most literature focuses on only identifying determinants, not comparing their impacts (e.g., Day 1984; Singh and Widing 1991); second, the literature is fragmented, most studies consider only two or three determinants and, sometimes, fail to consider the major ones (e.g., Singh and Wilkes 1996); third, the role of attitudinal and personality-related variables has not been a central issue; fourth, most research has tended to utilize simplistic response styles (e.g., Gronhaug and Zaltman 1981); and, fifth, most studies focus only on those clients that register their dissatisfaction, complaining directly to firm, and do not consider those who spread negative word-of-mouth or silently switch suppliers (e.g., Nyer 2000). Such inconsistencies undermine the goals of systematic and cumulative research into the focal questions.

Our study aims to analyze, by extensive literature review and empirical data, the impact of multiple attitudinal perspectives (i.e., attitude towards complaining, perceived likelihood of successful complaint), personal factors (i.e., alienation and self-confidence) and dissatisfaction level on CCB. The term "complaint behavior" or "complaint responses" implies all plausible reactions to dissatisfaction. While, "complaint actions" or "complaint intentions" connotes complaining behavior directed to seller.

Research into CCB has, with few exceptions, been carried out in developed countries; consequently, it has had a strong US and European orientation (Liu and McClure 2001). This fact raises questions as to the transportability of its findings to developing country markets. Now, large numbers of corporations are preparing to enter in developing country markets, such as Brazil, which has received increasing foreign investment, especially from the US. Under these circumstances can CCB researchers advise those firms on what drives their dissatisfied customers to express their complaint, to switch companies or to spread negative word-of-mouth? Or how dissatisfied customers in developing countries are likely to engage in complaining, switching, negative word-of-mouth behaviors, or to seek legal action against the firm? Answers to these questions have become increasingly timely and critical.

To date, however, CCB research, especially empirical studies outside the US and European settings, has been limited, with a focus on highlighting Asian cultures (Chiu et al. 1988, Huang 1994, Watkins and Liu 1996, Liu et al. 1997, Kim et al. 2003, Chelminski 2003). With the exceptions of Hernandez et al. (1991), comparing voice complaint intentions between US and Puerto Rico consumers, and Hernandez and Fugate (2004), analyzing dissatisfied retail consumers in Mexico, a thorough literature search revealed no study focusing on South American CCB. Therefore, it is of practical as well as theoretical importance to analyze CCB within a developing and important country in South American culture such as that of the Brazilian market.

## LITERATURE REVIEW AND HYPOTHESES

This section develops a set of hypotheses that describe how personality, perceptual and attitudinal variables influence complaint intentions.

### Consumer Complaining Behavior

Dissatisfied consumers engage in several different behaviors, such as negative word-of-mouth, exit, complaint to the firm, appeal to a third party or repeat purchasing as usual. Hirschman's work (1970) establishes the "Exit, Voice and Loyalty" model. Exit means a consumer voluntarily intention to terminate an exchange relationship by switching patronage to another retailer. Voice suggests an attempt to change rather than escape from a state of affairs, while loyalty occurs when the consumers neither exit nor voice and "suffer in silence confident that things will soon get better" (Hirschman, 1970, p. 38). Later, Day and Landon (1977) suggested this conceptualization was simplistic and listed nine broad categories for alternative responses to unsatisfactory experiences, including complaining to friends and relatives (negative word-of-mouth) and seeking redress from third parties. They included these defining categories in a two-dimensional taxonomy of responses consisting of public (e.g., voicing complaints) and private (e.g., word of mouth) dimensions. Singh's (1988) results show that complaint responses can be appropriately conceptualized as consisting of three distinct dimensions: voice responses, including actions directed toward the seller; private responses, that is, actions involving

stopping patronage and word-of-mouth communication of the dissatisfying seller; and third party responses, including actions directed toward external agencies. This parsimonious structure underlies the various dissatisfaction responses, it is sustained by empirical data and externally validated by discriminant evidence. As the Brazilian legal structures intended to deal with complaining actions are recognized as ineffective and much too slow, consumers do not consider the possibility of acting directly toward third parties. Based on the literature mentioned (Singh 1988, Day and Landon 1977) and on qualitative research data (in-depth interviews), three possible responses will be considered: complaint intentions (toward the company), negative word-of mouth and switching intentions.

It is important to highlight that the literature on CCB suggests that consumers often utilize a wide variety of responses that can be successfully categorized into the preceding three dimensions (negative word-of-mouth, switch company or complaint toward the seller) (Singh 1988). For this reason, it seems desirable to explicitly recognize and consider these responses. As Singh and Widing (1991) argued "these dimensions are not posited as mutually exclusive responses. Instead, the framework accepts that consumers may often engage in multiple responses" (p. 39). This study focuses on explaining what drives a consumer's behavior immediately following an unsatisfactory experience and analyze what drives the consumer during the first-stage (i.e., right after an unsatisfactory experience) to complain toward the seller, switch company, spread negative word-of-mouth or to do nothing after an unsatisfactory buying or consuming event.

**Antecedents of Consumer Complaining Behavior**

The idea of linking consumer responses to the intensity of dissatisfaction is not new. The first model proposing such a relationship was put forward by Landon (1977). More recent research agreed with this statement (Maute and Forrester 1993). Richins (1983), using severity of the problem as a surrogate for intensity of dissatisfaction, found a direct relationship between intensity and complaining behavior. In other words, we propose that the more consumers are dissatisfied the higher the probability to engage in complaint behavior. Thus, the first hypothesis group is the following:

H1: *The dissatisfaction level will positively impact the complaint intentions.*

H2: *The dissatisfaction level will positively impact the negative word-of-mouth.*

H3: *The dissatisfaction level will positively impact the switching intentions.*

In contrast, proponents of the process approach see perceived dissatisfaction as a necessary, but not sufficient condition for explaining or predicting consumer complaint responses. Perceived dissatisfaction is hypothesized to be an emotional state that motivates consumers to undergo a process (Day 1984). This process results in specific complaint responses which are proposed to depend not so much on how strongly emotions are felt but more on consumer perceptions and attitudes (Singh and Widing 1991). Bearden (1983) found that only 15% of complaint reports could be explained by dissatisfaction level.

Other constructs are likely to influence such a complex behavior. In general, previous studies have found weak relationships between demographic variables and complaint responses (Gronhaug and Zaltman 1981), while indicating the strong influence of personal variables such as attitude towards complaining, consumer

alienation from the marketplace, perceived likelihood of successful complaint and consumer self-confidence.

Attitude towards the act of complaining is conceptualized as an overall effect towards the "goodness" or "badness" of complaining to sellers (Singh and Widing 1991). Two dimensions form this variable; the first corresponds to personal norms concerning complaining, while the second factor reflects the social dimension of this construct. Thus, consumers who have a more favorable attitude towards complaining are more likely to express their complaint to the firm (Day and Landon 1977). For this reason, we posit:

H4: *The attitude towards the act of complaining will positively impact the complaint intentions.*

It is well documented that the likelihood of successful complaining positively influences complaint intention (Richins 1983, Singh 1990). When consumers believe that their complaints will be accepted by the firm and effectively managed, they are likely to express their feelings to the firm and not to spread negative word-of-mouth or to switch supplier (Anderson and Sullivan 1993, Dabholkar 1994). According to this, we hypothesize:

H5: *Perceived likelihood of successful complaining will positively impact the complaint action intentions.*

H6: *Perceived likelihood of successful complaining will negatively impact the negative word-of-mouth intentions.*

H7: *Perceived likelihood of successful complaining will negatively impact the switching intentions.*

Consumer alienation is a consumer's global negative affect toward the dissatisfying firm's industry (Singh 1989) and reflects a negative feeling for the firm and its markets (Westbrook 1980). When consumers feel alienated from the market they are more likely to have helpless and powerless feeling (Allison 1978), and, thus, negative attitude towards complaining and lowered perceived likelihood of successful complaint, as follow:

H8: *Consumer alienation will negatively impact his/her attitude towards the act of complaining.*

H9: *Consumer alienation will negatively impact his/her perceived likelihood of successful complaining.*

Prior complaint experience can be conceptualized as a consumer's past experience toward unsatisfactory events (Sing 1989, Singh and Wilkes 1996). The extent (frequent or infrequent) of past complaining experiences can reinforce a consumer's attitudinal and behavioral disposition in future situations (Singh and Wilkes 1996). Prior complaint experience may influence attitude towards complaining. Such processes are consistent with the behaviorist and/or situationist theories that explain how past behaviors and exposure to situations shape and reinforce an individual's behavioral dispositions in future situations. Moreover, prior experiences affect an individual's cognitions about, for instance, how a retailer or manufacturer would probably respond to voiced complaints and the associated costs and/or benefits. As consumers learn about the mechanisms, options, and positive outcomes of prior complaint experience, they develop more positive attitudes towards complaining. In addition, those consumers who have prior complaint experience may determine how a firm might respond to voiced complaints, thus the perceived likelihood of successful complaint will be greater, the greater the prior experience of complaining is. Consequently, we posit the following:

H10: *Consumer prior complaint experience will positively impact his/her attitude towards the act of complaining.*

H11: *Consumer prior complaint experience will positively impact his/her perceived likelihood of successful complaining.*

According to the personality based approach, the consumer's intrinsic nature influences his/her complaining behaviors (Landon 1977). In general, consumers who complain after dissatisfaction tend to be more assertive (Bearden and Mason 1984) and self-confident (Gronhaug and Zaltman 1981). Although the results addressing these aspects have been encouraging, their impacts on complaint responses are not well documented and fully explored. Bearden et al. (2001, p.122) argue that "consumer self-confidence is the extent to which an individual feels capable and assured with respect to his or her marketplace decisions and behaviors" and reflects subjective evaluations of one's ability to generate positive experiences as a consumer in the marketplace (Adelman 1987). Therefore, it is proposed that self-confidence will influence the consumer's complaint intentions, as follows:

H12: C*onsumer self-confidence will positively impact the complaint action intentions.*

The absence of prior research on the relationship between consumer self-confidence and intentions to exert negative word-of-mouth communication and to switch company, does not allow us to elaborate more specific hypotheses. However, by the reasoning that self-confidence is related to the propensity of action, it can be inferred that a likely action might be to communicate with friends and relatives about the problem or to abandon the current supplier. Therefore, the following hypotheses are posited:

H13: *Consumer self-confidence will positively impact negative word-of-mouth.*

H14: *Consumer self-confidence will positively impact switching intentions.*

Based on attitude theory (Ajzen and Fishbein 1977), it can be inferred that the intrinsic attitudes towards the act of complaining will moderate the effects of situation triggers, such as encounter-specific dissatisfaction responses on intentions to complain. In doing so, it is likely that consumers with a high predisposition toward complaining will be more likely to complain regardless of their level of dissatisfaction they experience, so, such customers would probably complain even when only slightly dissatisfied, causing the direct effect of dissatisfaction level on complaint intention to be weaker. Alternatively, future complaint intentions for a customer with a low attitude towards complaining would be driven more by dissatisfaction level, and therefore the direct effect of dissatisfaction level will be delegated a stronger role. Accordingly, we hypothesize:

H15: *Attitude towards complaining moderates the relationship between dissatisfaction level and complaint intentions.*

Although the last hypothesis is logical, consistent and sustained by a solid theoretical background (Ajzen and Fishbein 1977), two empirical and relevant studies (Singh and Pandya 1991, Singh and Wilkes 1996) found that only the opposite moderating relationship occurred. That is, according to Singh and Wilkes (1996), the predictive and explanatory power of the attitude towards complaining changes with different levels of dissatisfaction. Using a critical incident approach, the authors found that the relationship between dissatisfaction level and voice varied substantially across the high and low dissatisfaction groups and, so, they provided a theoretical rationale and empirical evidence for a moderating role of dissatisfaction intensity. The reasoning here is that, being highly dissatisfied the customer will probably complain even having a negative attitude towards complaining. And only when the dissatisfaction level is low, does the impact of attitude towards complaining get stronger. Based on this reasoning, we have the alternative to the previous hypothesis:

H16: *The dissatisfaction level moderates the relationship between attitude towards complaining and complaint intentions.*

It's important to reinforce that hypotheses 15 and 16 are not opposing and could in fact both be operating. Given the theoretical background and the established hypotheses, Figure 1 presents a theoretical model to investigate the impact of the dissatisfaction level and personal variables on consumer complaint responses.

## RESEARCH METHOD

The investigation was carried out in two stages. In an initial, exploratory phase, in-depth interviews were conducted with 20 consumers to probe their beliefs about variables included in the hypotheses. Based on this work and extensive pre-testing, a questionnaire was developed and administrated in the final, descriptive phase. To empirically test the model, a quasi-experimental design was applied. A restaurant service was chosen as a research setting.

Service failures were manipulated at two levels of severity (low and high) via scenario description (appendix A). Then, participants were asked to rate, on a five-point Likert-type scale, their level of dissatisfaction toward that situation. Each participant could respond based only on one situation. Past experimental studies (Levesque and McDougall 2000, Wirtz and Mattila 2004) were consulted to assure the development of a parsimonious design.

The questionnaire was administered to 480 graduate students from two universities in the south of Brazil. Firstly, an ANOVA test was conducted to check the manipulation of service failure levels described by the scenarios. As expected, there was a significant difference on dissatisfaction levels (F=162.543; p<0,000), an indication that the high severity situation produced a higher dissatisfaction than the low severity situation. Prior to the data analysis, cases with missing values and outliers, were deleted.

The measurement scales were taken from diverse studies. Complaint intentions were adapted from Day et al. (1981) and Singh (1989); dissatisfaction intensity was operationalized by asking respondents how they felt after experiencing the situation described by the scenario; attitude towards complaining (8 items) was drawn from Singh's work (1990); alienation (5 items) from Allison (1978); perceived likelihood of successful complaint (3 items) from Day et al. (1981) and Singh (1990) prior complaint experiences (2 items) from Singh (1989) and self-confidence (11 items) from Bearden et al. (2001). According to the recommendation of Bagozzi (1977), the use of SEM in experimental studies is better applied when measures are interval, or, at least, manipulated at three levels. Therefore, an interval measure was used to check dissatisfaction level toward the situation. All measures were applied using a five-point Likert-type scale. Measures were translated into Portuguese using the back translation technique and submitted to marketing professors for meaning and consistency evaluation.

**FIGURE 1**
Framework for understanding the impact on complaint responses
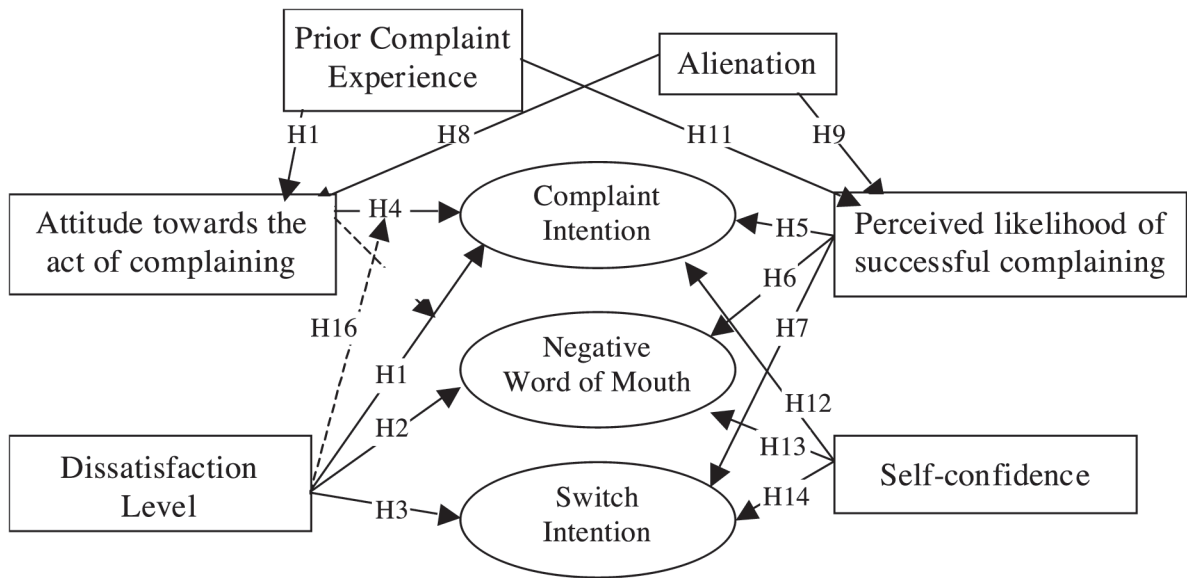


## RESULTS

Results obtained by the survey are presented as follows: first, a general profile of the sample will be presented. Next, the measurement model will be examined through Confirmatory Factorial Analysis (CFA). The examination of the structural model will only be performed after the establishment of the validity and reliability of the measures used. Finally, moderating hypotheses will be investigated.

### Sample Profile

From data collection, a total of 480 interviewees was obtained, 240 for each scenario (low and high severity). Mean age of the respondents was 24 years-old (s.d.=6.93), 60% of them are male. The majority (46%) have a monthly family income higher than two thousand dollars, 31.5% from one to two thousand dollars and 22.5% above one thousand dollars.

Most of the interviewees are in the habit of eating in restaurants more than three times a month (56.5%), 23.4% eat in restaurants between once and three times a month and 20% less than once a month. This result shows that the situation suggested in the scenario is known, which enables the respondents to imagine themselves in it. More than half (57.3%) had some real unsatisfactory experience with some restaurant in the 12 months prior to the data collection. Of those that had some problem, 28.4% had only complained, 17% did not return, complained and used negative word of mouth, and 48% did not return and used negative word of mouth. These data show that a large proportion of the interviewees adopt more than one action in relation to an unsatisfactory situation, which tends towards agreement with the findings of Day and Landon (1977) and Singh (1990), which suggest that post-dissatisfaction behavior is exhibited in multiple ways.

### Measurement Model

Considering the recommendations of some authors (Anderson and Gerbing 1988, Bagozzi 1994, Hair et al. 1998), the validity of the measurement model was basically supported by the fact that: (a)

the measurement model was fairly well fitted to data, that is, within the established satisfactory adjustment levels; (b) the factor loadings of the indicators in the corresponding factors were high and significant; (c) indicators of the same construct produced levels of reliability over 0.70 and variance extracted over 0.50; (d) the correlation analysis between the constructs indicated discriminant validity.

The measurement model produced the following satisfactory fit statistics: the convergent validity was supported, basically, because all items presented high and significant factorial coefficients in the proposed constructs. The estimated parameters reveal that the standardized factor loadings, without exception, are statistically significant and substantively large (from 0.51 to 0.95, t-values>6.92). In addition, the composite reliability estimates ranged from .72 to .91 (switching intention and attitude towards complaining–personal norms, respectively), and variance extracted estimates from .53 to .76 (prior complaint experience and complaint direct toward the seller intention, respectively).

Evidence of discriminant validity, which is particularly important when constructs are similar by nature, was found through the correlation levels between constructs. Correlation over 0.80 would indicate lack of discriminant validity, that is, constructs would be measuring the same phenomenon. Constructs were found distinct from one another, with the highest correlation between negative word-of-mouth and switching company intentions (0.71). The comparison between the variance extracted estimates and the square of the correlation of two constructs for each one of them provide additional evidence of discriminant validity.

### Test of Hypothesis

After the examination of the measures used, this study focused on the theoretical structure, which establishes relationships between the proposed constructs. The investigation of the set of hypotheses will be primarily made through the goodness-of-fit indices of the hybrid model and the significance and magnitude of estimated regression coefficients. Moreover, the coefficient of

**TABLE 1**
Estimated Coefficients for the Nomological Relationships in the Model

| Model Relationships | Standardized Regression Coefficient[a][b] | Hypotheses |
|---|:---:|:---:|
| **Dependent Variable: Complaint Intention** | $R^2=0.48$ | |
| Dissatisfaction Level | 0.29 (3.22) | $H_1$ |
| Attitude towards complaining | 0.19 (2.18)[c] | $H_4$ |
| Perceived Likelihood of Success | 0.27 (3.04) | $H_5$ |
| Self-confidence | 0.38 (5.96) | $H_{12}$ |
| **Dependent Variable: Switching Intentions** | $R^2=0,79$ | |
| Dissatisfaction Level | 0.72 (9.84) | $H_3$ |
| Perceived Likelihood of Success | -0.19 (2.25)[c] | $H_7$ |
| Self-confidence | 0.12 (2.01)[c] | $H_{14}$ |
| **Dependent Variable: Negative Word-of-Mouth** | $R^2=0,75$ | |
| Dissatisfaction Level | 0.65 (6.21) | $H_2$ |
| Perceived Likelihood of Success | -0.12 (2.05)[c] | $H_6$ |
| Self-confidence | 0.18 (2.41) | $H_{13}$ |
| **Dependent Variable: Attitude towards complaining** | $R^2=0,28$ | |
| Alienation -0.21 (3.09) | $H_8$ | |
| Prior Complaining Experience | 0.03 (1.07) | $H_{10}$ |
| **Dependent Variable: Perceived Likelihood of Success** | $R^2=0,08$ | |
| Alienation -0.16 (2.26)[c] | $H_9$ | |
| Prior Complaining Experience | 0.08 (1.45) | $H_{11}$ |
| **Goodness-of-fit statistics:** | | |
| $\chi^2$ (Chi-square) | 354.654 (p<0.001) | |
| DF (Degrees of freedom) | 176 | |
| CFI (Comparative Fit Index) | 0.95 | |
| NFI (Normed Fit Index) | 0.91 | |
| NNFI (NonNormed Fit Index) | 0.93 | |
| RMR (Root Mean Sq. Residual) | 0.06 | |
| RMSEA (Root Mean Sq. Error of Approx.) | 0.05 | |

[a] The estimates presented are from the ERLS (iteratively reweighted generalized least squares) using EQS.
[b] T-values in parenthesis. Based on the one-tailed: t-values>1.65=p<0.05; and t-values>2.33=p<0.01.
[c] Coefficient significant at 0.05 level. Coefficients significant at 0.01 are in bold.

determination was verified for each equation, which represents the proportion of variance of the dependent variable explained by the independent variables.

The findings of the structural model analysis, based on the 480 customers, are found in Table 1. The chi-square value is significant. However, knowing that this test is very sensitive to normality deviations and to samples higher than 200, the analysis of the chi-square value must be done along with other adjustment criteria (Hair et al. 1998). Dividing the chi-square value by the degrees of freedom produces a satisfactory value–2.01, less than the maxi-mum recommended (5). Goodness-of-fit indexes CFI, NFI, NNFI, all over 0.90, are considered sufficiently satisfactory and the RMSEA of 0.06 is acceptable.

The results provide support for most of the nomological relationships specified in the model. These relations reflect the impact of: 1) self-confidence on complaint, word-of-mouth and switching company intentions; 2) dissatisfaction level on complaint, word-of-mouth and switching company intentions; 3) perceived likelihood of successful complaint on complaint, word-of-mouth and switching company intentions; 4) attitude towards

## TABLE 2
Estimated coefficients for theoretical relationships, for clients with contrasting attitudes [a]

| Dependent Variable: Complaint Intention | Positive Attitude | Negative Attitude |
| --- | --- | --- |
| $R^2$ | 0.62 | 0.31 |
| Level of Dissatisfaction | 0.41 (6.07) | 0.15 (2.13) |

[a]The estimates presented are from ERLS (iteratively reweighted gereneralized least squares) using EQS.

complaining on complaint intentions; 5) alienation on attitude towards complaining; and 6) alienation on perceived likelihood of successful complaining.

The impact of dissatisfaction level on switching (0.72) and negative word-of-mouth (0.65) intentions are highly significant. The perceived likelihood of success and the consumer self-confidence had a weaker, though, significant, impact on switching intentions (-0.19 and 0.12, respectively) and on negative word-of-mouth communication (-0.12 and 0.18). Note that the perceived likelihood of success has a negative impact on both responses, as predicted.

With regard the impact on complaint intention, the results indicate that the impact of the following antecedents: dissatisfaction level (0.28), probability of success (0.25), attitude towards complaining (0.17), and consumer self-confidence (0.36). Although not as large as the negative word-of-mouth and the switching intentions coefficient, the $R^2$ of 0.44 reflects a reasonable effect of the variables on the complaint direct to the firm intention.

The results also support hypotheses $H_8$ and $H_9$, in which the impact of alienation on the attitude towards complaining and on the perceived likelihood of success are established. Although statistically significant, the power of alienation to predict the perceived likelihood of success is very low ($R^2$–0.08). Finally, prior complaint experiences did not exerted influence on attitude towards complaining (0.03), rejecting $H_{10}$.

The moderating hypotheses ($H_{15}$, $H_{16}$) highlight possible differences in the strength of nomological relationships established between dissatisfaction intensity and complaint intention ($H_{15}$), due to the level of attitude towards complaining, and between attitude towards complaining and complaint intention ($H_{16}$), due to the level of dissatisfaction. In order to test the first moderating role, we divided the sample into three sub-groups based on the level of attitude towards complaining. Then, those who indicated the attitude as low (163) and high (186) were retained. Those who indicated medium level of attitude were excluded to more accurately reflect the nature of the moderation, which could be blurred if intermediate values were included. The moderation hypothesis was tested by using the Multi-Group Structural Equation Analysis. This approach allows the theoretical model for each group to be simultaneously estimated; those that exhibited low and those that exhibited high attitude towards complaining. Thus, it is possible to test whether the estimated coefficients vary for both groups (Singh, Verbeke and Rhoads 1996). All parameters were initially restricted as invariant for both groups. Subsequently, based on the Lagrange-multiplier test (Byrne 1994), parameters with significant indicators "are released".

The results in Table 2 indicate different relationships between dissatisfaction level and complaint intention in the two groups of consumers. While for consumers with negative attitude towards complaining, the impact of dissatisfaction level is 0.15, for consum-

ers with positive attitude it is 0.41. This result corroborates the idea that attitude moderates the effects of situation triggers, such as dissatisfaction intensity. Thus, the attitude towards complaining is an important element for the translation of dissatisfaction level to complaint intention. The dissatisfied consumers with negative attitude towards complaining are less driven by dissatisfaction level. It means that those customers will probably not complain even when highly dissatisfied. On the other hand, the consumers with positive attitude toward complaint are "freer" to act according their levels of dissatisfaction. Thus, when highly dissatisfied they probably complain, while when slightly dissatisfied they probably do not. Additionally, Mean scores interaction provided additional evidence for the moderator effects. In accordance with methodological advice from previous authors (Irwin and McClelland 2001; MacCallum, Zhang, Preacher and Rucker 2002), if the relationship is nonlinear, then dividing into two groups, whether the extreme third tails or median splits, precludes the possibility of detecting the nonlinearity. Therefore, the interaction between dissatisfaction level and attitude toward complaining mean scores and its effect on intention to complaint was analyzed, reinforcing that when attitude toward complaining is positive, dissatisfaction level exert a stronger impact on intention to complaint ($\beta_{interaction\,effect}$=.51, p<0.001).

In order to test $H_{16}$, the same procedure was used, but in this case the sample was divided into three sub-groups based on the level of dissatisfaction. Those who obtained low (178) or high (196) dissatisfaction scores were restrained, so the effect of attitude towards complaining on complaint intention in those two different groups could be better captured and compared. The results indicated no improvement to the model by adding the moderator impact, denying $H_{16}$ and contradicting the findings of Singh and Pandya (1991) and Singh and Wilkes (1996). One explanation for this rejection is that the previous authors dealt with complaint behaviors in response to actual experiences of consumer dissatisfaction instead of consumer's intentions or propensity to complain, as did the present study. Moreover, this difference may be explained to some degree by the origin of the current sample, a developing, South-American country.

### IMPLICATIONS

From the academic point of view, our research examines some relevant questions in the field of knowledge considered. Among them it is important to point out: (1) the consideration of the answers to dissatisfaction involving a series of intentions: complaint, word-of-mouth and switching intentions; (2) the relationship between dissatisfaction level and post-dissatisfaction answers; (3) the impact of attitudinal (attitude toward complaint), perceptual (dissatisfaction level and perceived likelihood of success) and personality (consumer self-confidence) variables on the post-dissatisfaction intentions; (4) the applicability of North American measures in the Brazilian context.

This research focuses on the impact of attitudinal, perceptual and personality variables on complaint behavior among Brazilian consumers. The majority of the antecedents' impacts were expressive and predicted a good part of the variations on the dependent variables, as the hypothesis suggested. The hypothesized relationships were empirically tested, and the results confirm that complaint reactions are influenced by dissatisfaction level, consumer sef-confidence and perceived likelihood of success, but in different intensities.

It is important to reinforce that dissatisfaction level significantly and substantially enhances negative word-of-mouth and switching intentions, but its effect on complaint direct toward the firm intention is not in the same intensity. This corroborates with some authors' idea (Bearden 1983; Day 1984; Singh and Widing 1991) that the relationship between dissatisfaction level and voice is tenable, but not encouraging. Instead, in the present study the complaint direct toward the firm was strongly influenced by consumer self-confidence. Perceived likelihood of success also seems to play a relevant role on predicting complaint direct toward the firm intention. We should reinforce that the the the $R^2$ indicates that the four antecedent variables were capable to explain half (48%) of the total variance in complaint direct toward the firm intention. Although that is a considerable amount, it suggests the existence of other factors that could help to predict the intentions to complaint, such as attribution of failure, company/consumer relationship (degree of loyalty felt by the consumer to the company) and emotions fealt by the dissatisfied customer.

Another important finding refers to the impact of personal antecedents (alienation and prior complaining experience) on attitude towards complaining and on perceived likelihood of success. In accordance with Kim et al. (2003) findings, alienation significantly and negatively has influenced attitude towards complaining and perceived likelihood of success. Kim et al. (2003) also found the influence of prior complaining experience on attitude towards complaining and on perceived likelihood of success. Those results were not sustained by the present study. One explanation for this could be the fact that enterprises in Brazil do not behave homogeneously, that is, there is no pattern companies follow referring to complaint handling. As a result, consumers do not expect from a company a positive response just because they had a good experience in complaining to another one.

This study set out to pose and examine the relationship between personality, perceptual and attitudinal variables and complaint intentions. Furthermore, specifically regarding the complaint direct toward the firm intention, we identify a moderator attitudinal variable that strenghed the relationship between dissatisfaction level and complaint direct toward the firm intention, enhancing its prediction from 48% (overall sample) to 62% (sample with positive attitude towards complaining). This calls for two remarks. First, the higher the attitude towards complaining score, the more likely the customers are to complain, even if they fell little dissatisfied. Second, dissatisfactions are more likely to be transformed into complaining if customers have a positive attitude towards the act of complaining. This result confirms and sheds some nuance on the key arguments of Ajzen and Fishbein (1977) that attitude moderates the relation between cognitive appraisals and coping behaviors.

The present study offers several contributions to marketing practitioners. The findings indicate that the focus on maintaining long-term relationships and avoiding negative word-of-mouth communication depends on enhancing post-purchase systems. Otherwise, dissatisfied customers will defect and spread negative word-of-mouth about the company. Moreover, the company should not try to hide failures and wait for the customer to register complaints, because customers who perceive the likelihood of success as low and are not self-confident probably will not complain but remain dissatisfied.

The presence of a linear, but weak, relationship between dissatisfaction level and voice poses several implications and challenges for practitioners, since dissatisfaction can be managed only if consumers voice their complaints. The implication of this study is that customers complaint intention is likely to be dependent of several factors (e.g. personality, attitudinal variables) which can convert dissatisfaction level to voice intention. The knowledge of such factors is critical for dissatisfaction management.

Another managerial implication is that firms should realize that a consumer's perception of likelihood of success and favorable attitude towards complaining can heighten voice intention. Both aspects can be enhanced by educating consumers about the options and the mechanisms of complaining. Companies could also simplify the exchange and refund procedures, show to consumers they are willing to admit failures, provide employees education regarding quick and efficient complaint handling, motivate them to facilitate customers' expressions of complaint and increase their willingness to listen to customers. Finally, the high impact of consumer self-confidence on complaint intention shows that the company, when handling complaints, is dealing with self-confident consumers. Contact employees should be trained to pay attention when dealing with this type of consumer.

While this study considers several important factors, one of its weaknesses is that it fails to take into consideration consumer emotions as a determinant of complaining behavior. The method applied (experimental design with application of scenarios) is not favorable to measure emotions, because it provides a hypothetical situation. Previous research has also considered the impact of attributions on complaining behavior. Future research should focus on the place of attributions and emotions within the model. A further limitation is the sampling of only one service category (restaurants) and the use of students as participants. Future research is needed to validate our findings across a wider sample base.

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# APPENDIX A
## Scenario Description-High Failure Severity Scenario

You and another person go to a restaurant for dinner to celebrate a special occasion. You reserved a table with an excellent location, however, when arriving at the restaurant, you were informed that the restaurant was crowded and the table was already occupied. After five minutes, you were moved to another table. You are seated. The waiter comes to take your order. You place your order and the waiter informs you that the dish you requested is unavailable. You choose another option and the waiter arrogantly informs you that it is also unavailable. You finally choose a third and available alternative. After one hour, the waiter brings your order.

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# Conditioning Implicit and Explicit Brand Attitudes Using Celebrity Affiliates

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The notion of implicit attitudes is well established in psychology (Greenwald, Banaji, Rudman, Farnham, Nosek, and Mellot 2002; Greenwald, McGhee, and Schwartz 1998; Olson and Fazio 2001). Long have researchers recognized that some attitudes are automatic and not controllable by the individual (Moors and De Houwer 2006). In social psychology, affective experiences are an area commonly examined under an implicit attitude lens. Existing research suggests that implicit attitudes emerge from automatic affective reactions while explicit attitudes are more propositional or cognitive in orientation (Rudman 2004). The notion of implicit attitudes may not be new, but their uniqueness, function, and development present many research opportunities (Rydell and McConnell 2006). Methods of quantifying and measuring implicit attitudes such as the Evaluative Movement Assessment (EMA) and Implicit Association Test (IAT) have appeared and are being refined (Brendl, Markman, and Messner 2005; Greenwald et al. 1998). A general model of implicit/explicit attitude change has also now emerged (Gawronski and Bodenhausen 2006).

Implicit attitudes may be important in understanding and predicting consumer behavior, especially in situations where consumers are cognitively constrained. Further, they may be more persistent over time than explicit attitudes though potentially less vivid (Buttle, Ball, Zhang, and Raymond 2005). Both explicit and implicit attitudes may uniquely influence one's preference for a particular brand. Explicit attitudes towards a soda brand may form in a propositional manner based on product taste, image, or nutritional value. An attitude towards a brand formed in this manner is subject to change quickly from recent experience, advice, persuasion, etc. Implicit attitudes towards the soda brand, however, may form in an associative manner from such past pairings of the brand with pleasant memories of youth or a consistent celebrity endorser. These implicit attitudes may not be "top of mind" but guide behavior nonetheless and may be more resistant to persuasion (Gibson 2006).

In addition to providing a more complete explanation of consumer attitudes, the implicit/explicit distinction may shed new light on existing studies or require new interpretation of effects from procedures used by consumer researchers. In particular, while there are numerous studies in social psychology investigating classical conditioning effects on implicit attitudes, conditioning studies with brands have examined explicit attitude change only. This article reports the results of an experiment examining the effects of Pavlovian conditioning on implicit and explicit attitudes using real brands and real celebrities. Further, it provides a novel method for measuring implicit brand attitudes in comparison to the standard IAT (Greenwald et al. 1998).

The current research indicates that Pavlovian conditioning can have an effect on implicit brand attitudes. Results suggest that the changes in implicit and explicit attitudes towards a brand may lead to divergent inferred beliefs about that brand. Suggesting implications for the ongoing debate about Pavlovian versus evaluative conditioning and offering direction for future research involving implicit attitudes in consumer research, this article represents a small step in understanding how implicit/explicit attitudes change and in addressing nuances involved in their measurement.

# BACKGROUND

## Implicit and Explicit Attitudes

The associative-propositional evaluation (APE) model provides comprehensive theorizing regarding implicit and explicit attitude change (Gawronski and Bodenhausen 2006). The APE model considers implicit attitudes as arising from an associative process. That is, implicit attitudes arise from automatic affective reactions. When an individual encounters a particular attitude object, the activation of associations leads to an implicit attitude. The activation that occurs may arise from such varied sources as past experience, positive/negative affect, social or cultural bias, or need for cognitive consistency (Rudman 2004). The APE model suggests an activation leading to an implicit attitude generally is outside of the control of the individual and often is persistent over time.

Explicit attitudes in the APE model differ from implicit attitudes by arising from propositional processes. Explicit attitudes depend on judgments of the validity of "syllogistic inferences" about an attitude object in order to form or change. Explicit attitudes generally are consciously controllable because they arise from propositional processes involving truth judgments. In this manner, they are qualitatively different from implicit attitudes. Whereas implicit attitudes arise from automatic affective reactions to a source, explicit attitudes emerge and change based on judgments of truth.

One of the important aspects of the APE model is that it provides explanation for when implicit and explicit attitudes may be related versus when they may be independent. The APE model posits eight patterns of attitude change. While the particulars are beyond the scope of this article (see Gawronski and Bodenhausen 2006, 702-709), the notion that many different examples of implicit and explicit attitude change can be explained by the model makes it useful both for *a priori* hypothesis generation and *a posteriori* result(s) interpretation.

## APE Model and Pavlovian Conditioning

Classical conditioning has been assessed by consumer researchers as a means for shaping attitudes using conventional Pavlovian procedures (Kim, Allen, and Kardes 1996; Shimp, Stuart, and Engle 1991). With this procedure, a conditioned stimulus (CS) precedes an unconditioned stimulus (US). This CS-US arrangement eventually leads to a conditioned response or attitude change after sufficient repetitions. In addition to a sufficient number of repetitions, Pavlovian conditioning generally requires contingency awareness in order to induce a change in explicit attitudes (Gawronski and Bodenhausen 2006). While Pavlovian conditioning is associative in nature, an individual needs to be cognizant of the CS-US arrangement in order for attitude change to occur (Priluck and Till 2004). Lack of contingency awareness generally yields a null effect for Pavlovian conditioning, at least for non-automatic phenomena such as explicit attitudes.

Evaluative conditioning, in contrast to Pavlovian, leads to a conditioned response after a series of overlapping conditioned and unconditioned stimulus pairings. Evaluative conditioning does not

necessarily require contingency awareness instead inducing conditioning effects via direct affect transfer from US to CS. Where order is important for Pavlovian conditioning, pairing and valence are critical for evaluative conditioning. This distinction between Pavlovian conditioning and evaluative conditioning is emerging as an important one in research about associative learning (De Houwer, Thomas, and Baeyens 2001; Walther, Nagengast, and Trasselli 2005).

Gawronski and Bodenhausen (2006) provide a thorough explanation of how evaluative conditioning works with regard to implicit/explicit attitude change but consider Pavlovian conditioning as propositional and more clearly relevant to explicit attitudes. Past research has disagreed about whether Pavlovian conditioning is propositional (Holyoak, Koh, and Nisbett 1989; Stuart, Shimp, and Engle 1987). The CS and US ordering in Pavlovian conditioning does follow a general "if…then" pattern, suggestive of propositional reasoning. Researchers favoring a unimodel of attitude change argue that all conditioning is propositional (Kruglanski and Dechesne 2006). If Pavlovian conditioning is strictly propositional, the APE model suggests that these procedures will have an effect on explicit but not implicit attitudes.

A larger question remains, however, about whether Pavlovian conditioning may influence implicit attitudes regardless of any change in explicit attitudes and/or presence of contingency awareness. In a basic sense, Pavlovian can also be viewed as an associative process (Walther et al. 2005). The CS-US arrangement eventually suggests to the individual a similarity or association perhaps not always an "if…then" relationship. Along these lines, some research has found that Pavlovian procedures can have effects on implicit attitudes for novel stimuli (Olson and Fazio 2001). This lends support to the contention that Pavlovian conditioning does not always require contingency awareness, just a consistent CS-US arrangement (Stuart et al. 1987). Hence, we propose and test:

*H1: Pavlovian conditioning procedures will influence implicit brand attitudes regardless of contingency awareness.*

Establishing that Pavlovian conditioning has an effect on implicit attitudes is insufficient to argue that qualititatively different judgment processes are at work. Recall that the APE model predicts that explicit attitudes arise from propositional processes while implicit attitudes flow from associative processes. Propositional processes involve truth judgments of "syllogistic inferences" about an attitude object (Gawronski and Bodenhausen 2006). Pavlovian conditioning may influence attitudes through both signal and evaluative learning, possibly leading to changes in both explicit and implicit attitudes (Olson and Fazio 2001; Walther et al. 2005). Explicit attitudes should be conditioned with a Pavlovian procedure if subjects are aware of the CS-US arrangement (Kim et al. 1996). Explicit attitudes require contingency awareness for conditioning to manifest (Priluck and Till 2004). Thus, we also test:

*H2: Pavlovian conditioning procedures will have an effect on explicit brand attitudes only when contingency awareness is present.*

Implicit attitudes arise from associative affective processes operating outside of the awareness of the individual. As a result, implicit attitudes should not co-vary with inferences used in the propositional construction of explicit attitudes. If implicit attitudes have a relationship with inferred brand beliefs, this would suggest that they might not be qualitatively different from explicit attitudes.

However, if implicit attitudes form independent of inferences about an attitude object, they would seem to be fundamentally different from explicit attitudes (Gawronski and Bodenhausen 2006). We posit that explicit attitudes will share a significant correlation with inferred beliefs but implicit attitudes will not have a significant correlation with the same.

*H3: Inferred beliefs about a brand will be correlated positively with explicit brand attitudes but be uncorrelated with implicit brand attitudes.*

## METHOD

A laboratory experiment was employed to test the hypotheses that implicit and explicit brand attitudes would be conditioned with a Pavlovian procedure and differ in their relationship to subsequent inferred beliefs about the brand. A sample of 70 students (37 male and 33 female) at a large Midwestern university participated in return for course credit. Participants were told that the study was interested in their opinions about brands and celebrities. They were randomly assigned to the treatment or control condition and processed in groups of 1 to 4.

The experiment used conditioned and unconditioned stimuli chosen through extensive pretesting. Paris Hilton, Jessica Simpson, and Britney Spears were selected as unconditioned stimuli because of a shared celebrity quality. It is worth noting that the study was conducted prior to recent events that may set Britney Spears apart from Paris Hilton and Jessica Simpson. Pretesting showed that these celebrities carry different meaning for females versus males suggesting a need to consider conditioning effects by gender. A separate pretest examined these three celebrities and several others such as Dave Chapelle and Conan O'Brien paired with several brands including Chipotle Mexican Grill, Gallo Family Vineyards, Starbucks, and Marriott Hotels to identify a useful conditioned stimulus. This pretest suggested that Gallo did not have overall differences by gender ($t(26)<0.6$) on close-ended responses to the celebrity and brand pairing. Gallo was thus selected as the conditioned stimulus in order to associate a relatively neutral brand with the controversial celebrity unconditioned stimuli. Based on this pretesting, we expected this pairing would create different effects of conditioning by gender.

The conditioning procedure followed that of Stuart et al. (1987) and was implemented via an on-screen presentation in MediaLab. In the treatment condition, one of four brands (Gallo versus three filler brands: Chipotle, Domino's, and Starbucks) always appeared before the unconditioned stimuli (the three female controversial celebrities versus nine female filler celebrities such as Rachel Ray and Reese Witherspoon). Participants viewed CS and US images for 7.5 seconds each, followed by a 2-second rest period (Stuart et al. 1987). The random control condition also viewed the same images as the treatment condition but did so with a wholly random ordering. In total, each participant viewed 40 brand images and 40 celebrity images. But again, the focal CS-US arrangement was Gallo, followed by Paris Hilton, Jessica Simpson, or Britney Spears, who were rotated throughout to the create the ten repetitions.

After the conditioning procedure participants responded to a Single Category Implicit Association Test (SC-IAT) with Gallo as the focal object. A SC-IAT is procedurally similar to the Implicit Association Test (IAT) but has only one focal object instead of two (Karpinski and Steinman 2006). The traditional IAT is a method for approximating an individual's implicit attitude towards a matched pair of focal objects, for instance Coke and Pepsi (Greenwald et al. 1998). A researcher seeking individual implicit attitudes towards

**FIGURE 1**
Gallo SC-IAT Example Screens



Gallo + good

Gallo + bad
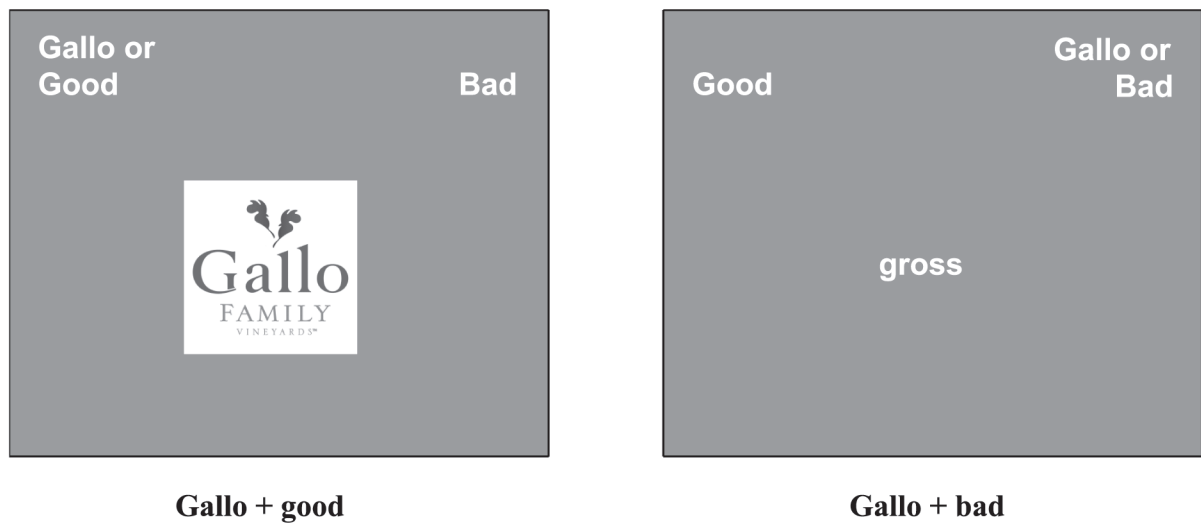
*Note: Participants responded to 96 presentations of both evaluative category arrangements with first 24 responses as practice.*
*"E" and "I" keys corresponded to category on left and right respectively.*

these brands would run an IAT where both Coke and Pepsi are positioned with such evaluative dimensions as "good" and bad." Participants in such a study would sort valenced words and/or pictures for each of two evaluative dimension arrangements (Coke + good and Pepsi + bad; Pepsi + good and Coke + bad). The standardized difference in response time latencies for each arrangement may then be considered as the strength of an individual's association of Coke with "good" and "bad" and Pepsi with "good" and "bad." In order to estimate these associations, the traditional IAT requires a legitimate matched pair of focal objects such as Coke and Pepsi. While matched pairs may exist for some product categories, a true match is often difficult to justify. Results of an SC-IAT are not readily comparable to results of an IAT. However, use of a SC-IAT can remove the need for a matched pair of focal objects (Karpinski and Steinman 2006).

A SC-IAT is particularly useful in situations where a matched does not exist and/or comparison of implicit attitudes toward two different products or brands is not necessary. For this study, several other wine brands such as Robert Mondavi were considered. However, no brand appeared to be a defensible and equal match for Gallo. Putting the existing research on the SC-IAT into practice, this study estimated participant associations towards Gallo only, without needing another brand of wine for comparison. The SC-IAT was implemented via DirectRT reaction time measurement software and carried evaluative dimensions of "good" and "bad" with the object dimension labeled "Gallo" as depicted in Figure 1. The SC-IAT consisted of two stages (Gallo + good and Gallo + bad) with 96 sorts of target words and images completed for each. Each stage began with instructions about the sorting task and the appropriate key with which to do so. Gallo + good and Gallo + bad category labels appeared at the top of the screen during the instructions. Following the instructions, target words and images appeared on the center of the screen. Target words in the SC-IAT were those

used by Karpinski and Steinman (2006) and target images were Gallo-related pictures (See Appendix). Responses to each sort were mapped to the "e" and "i" keys.

Implicit attitudes were operationalized with $D$-scores of response time latencies from the SC-IAT. The use of a single target stimulus necessitated adaptation of the existing SC-IAT scoring guidelines lines Karpinski and Steinman (2006). The method of scoring the SC-IAT in this study made use of response times from both stages. The stages were divided into practice and trial by withholding the first 24 sorts from each analysis. Response latencies less than 350 milliseconds were eliminated. Responses in error were replaced with the stage mean plus a 400-millisecond penalty. Response latencies to the Gallo imagery for each participant were averaged. The mean of the Gallo + bad latencies was then subtracted from the mean of the Gallo + good latencies and divided by the standard deviation of all correct responses. This operation yielded $D$-scores where values greater than zero indicated more positive than negative associations with Gallo. Values less than zero indicated more negative than positive association with Gallo. This method of scoring followed the existing SC-IAT scoring procedure suggested but only considered response times for the Gallo imagery (Karpinski and Steinman 2006). Implicit attitudes scores using only the Gallo imagery had the same interpretive qualities as the conventional method of scoring a SC-IAT and contained less effect-obscuring noise but were still normally distributed (K-S $z$=.735, p>.50).

Following the SC-IAT, participants responded to items gauging their explicit attitude toward Gallo and selected inferred beliefs about the brand. Explicit attitudes and participant inferred beliefs about Gallo were operationalized with six items on a 7-point semantic differential scale. Explicit attitude items were "good/bad", "like/dislike", and "favorable/unfavorable". Inferred belief items were "domestic/imported", "cheap/expensive", and "trashy/

**TABLE 1**
Implicit and Explicit Attitude Means, Standard Errors, and Planned Contrasts

| | Implicit | | Explicit | |
|---|---|---|---|---|
| | *Control* | *Treatment* | *Control* | *Treatment* |
| Female | -.40 | .08 | 13.76 | 11.25 |
| | (.17) | (.19) | (.75) | (.86) |
| Male | -.36 | -.15 | 10.57 | 11.61 |
| | (.13) | (.15) | (.76) | (.75) |
| Contrast | | | *t*-value (Implicit) | *t*-value (Explicit) |
| Both Control>Both Treatment | | | -2.12* | .91 |
| Male Control>Male Treatment | | | -.92 | -1.01 |
| Female Control>Female Treatment | | | -2.05* | 2.21* |
| Remaining Cells>Female Treatment | | | -1.99* | .77 |

*Note:* * indicates significance at p<.05
Higher means indicate more positive attitudes.

classy". Explicit attitude items were summed and inferred belief items were kept separate for analysis. In addition to explicit attitudes and inferred beliefs, participants responded to a five-item postexperimental inquiry instrument that included items gauging contingency awareness (Allen 2004).

## RESULTS

A non-significant correlation between implicit and explicit attitude measures supported the appropriateness of treating them as separate ($r(70)=-.14$, $p>.20$). Preliminary analyses suggested marginally significant differences between male and female on explicit attitudes ($t(68)=-1.87$, $p=.07$) but not implicit attitudes ($t(68)=-.54$, $p>.50$). Omnibus 2 X 2 ANOVAs of condition and gender supported the presence of an interaction for conditioning on explicit attitudes ($F(1,66)=5.30$, $p<.05$) but not for implicit attitudes ($F(1,66)=.73$, $p>.30$). ANOVAs of gender and condition also supported a main effect of conditioning for implicit attitudes ($F(1,66)=4.49$, $p<.05$) but not explicit attitudes ($F(1,66)=.84$, $p>.30$). Ten individuals in the treatment condition (9 males and 1 female) were contingency aware. With gender differences obtaining and contingency awareness relatively low, analysis proceeded as a series of planned contrasts by gender as outlined in Table 1.

Hypothesis 1 predicted that Pavlovian conditioning would have an effect on implicit attitudes regardless of contingency awareness. A significant overall conditioning effect emerged ($t(66)=-2.12$, $p<.05$), supporting Hypothesis 1. Closer examination indicates that conditioning had a significant effect on implicit attitudes for females ($t(66)=-2.05$, $p<.05$) but not for males ($t(66)=-.92$, $p>.30$), although their means followed a similar pattern. Females in the treatment condition had significantly higher implicit attitude scores than all others in the sample ($t(66)=-1.99$, $p=.05$).

Hypothesis 2 predicted that Pavlovian conditioning would have an effect on explicit attitudes presuming contingency awareness was present. An overall conditioning effect did not emerge for explicit attitudes ($t(66)=.91$, $p>.30$), but the gender by treatment interaction was significant. As with implicit attitudes, there was no

effect for males ($t(66)=-1.01$, $p>.30$). Conditioning did have a significant effect on explicit attitudes for females ($t(66)=2.21$, $p<.05$) though only one female in the treatment condition was contingency aware. In general, explicit attitudes for females in the control condition were more favorable towards Gallo than for females in the treatment condition.

Hypothesis 3 predicted that inferred beliefs would correlate with explicit attitudes but not implicit attitudes. As hypothesized, explicit attitudes were correlated with two of the three inferred belief measures (aura $r(70)=.53$, $p<.01$; origin $r(70)=.03$, n.s.; cost $r(70)=.51$, $p<.01$) while inferred belief correlations with implicit attitudes were not significant as shown in Table 2. The presence of some significant correlations between inferred beliefs and explicit attitudes suggests that these attitudes might have formed from a propositional process. The lack of correlations with implicit attitudes suggests that the associative process leading to changes in these attitudes may have operated independent of the process leading to explicit attitude change and inferred belief generation, consistent with a dual process model (Gawronski and Bodenhausen 2006).

## DISCUSSION

The results show that Pavlovian conditioning procedures elicited more favorable implicit brand attitudes and less favorable explicit brand attitudes for female participants. The results also show that explicit brand attitudes, but not implicit brand attitudes, influence deliberative inferred beliefs. This suggests that the complex and controversial nature of the celebrity affiliates may be primarily responsible for these mixed attitudinal and inferential responses. Deliberating about the controversial opinions and behaviors of the celebrity affiliates had some influence on explicit brand attitudes. Further and conversely, favorable associations regarding the physical attractiveness of the celebrity affiliates had a strong influence on implicit brand attitudes regardless of contingency awareness, but no influence on explicit brand attitudes. As a consequence, implicit and explicit brand attitudes were uncorrelated.

**TABLE 2**
Attitude, Contingency Awareness, and Inferred Belief Correlations

| | Implicit Attitude | Explicit Attitude | Contingency Awareness | Aura | Origin |
|---|---|---|---|---|---|
| Explicit Attitude | -.14 | | | | |
| Contingency Awareness | -.05 | .01 | | | |
| Aura | -.17 | .53** | .04 | | |
| Origin | -.11 | .03 | -.05 | .14 | |
| Cost | -.15 | .51** | -.01 | .63** | .26* |

*Note:* ** *indicates significance at p<.01*
*indicates significance at p<.05*

As inferred belief imputation requires deliberation, only explicit brand attitudes influenced participants' inferential reasoning.

The presence of an overall conditioning effect on implicit attitudes demonstrates support for Pavlovian conditioning being at least partially associative in nature and not solely propositional. This fits with existing research arguing that changes in these attitudes take longer as they emerge from associations (Rydell and McConnell 2006). The repeated associations created by the Pavlovian procedure were enough to create differences in participant implicit attitudes. The results also demonstrate that implicit attitudes were independent of inferred beliefs and explicit attitudes. If implicit attitudes emerged as positively correlated with inferred beliefs, there would be less basis for arguing that both propositional and associative processes were operating in response to the present conditioning procedure. However, implicit attitudes did not correlate with inferred beliefs and had a non-significant correlation with explicit attitudes. This suggests that implicit attitudes emerged from a process different from that of explicit attitudes, a central assertion of the APE model.

As expected, gender differences emerged and demonstrated an important pattern of differences between implicit and explicit brand attitudes. The Pavlovian procedure had an effect for females but not for males. These gender differences in implicit attitudes towards Gallo may have emerged from differences in the affect transferred from the three controversial celebrities. Considering Pavlovian conditioning as an associational learning paradigm suggests that this is what happened. Females in the treatment condition had significantly higher implicit brand attitudes than females in the control condition. Conversely, females in the control condition had significantly higher explicit attitudes than females in the treatment condition. The reversal of the pattern of means for females lends support to an implicit/explicit attitude distinction.

Gender differences likely emerged from the all-female set of USs used. Aforementioned pretests for selection of CS and US and past pretests for the same suggested that both males and females perceived Paris Hilton, Jessica Simpson, and Britney Spears to be controversial celebrities but with potentially differing associated meanings (Miller 2006). It appears that the pairing of Gallo with controversial celebrities did not transfer negative affective from US to CS for females in the treatment condition. Rather, the Pavlovian procedure with the brand and celebrity arrangement was enough to

associate Gallo with celebrities, an association that might have been positive in nature for females. For males, association between these celebrities and Gallo may not have been as relevant from an affiliation point-of-view.

Taken as a whole, these results suggest that meaning transferred from celebrity to brand may not operate at the implicit attitude level (McCracken 1989). For implicit attitudes in the present study, this association alone seems to have been enough to make Gallo more accessible and perceived as more favorable at the implicit level. Consistently associating a relatively neutral brand with relevant celebrities might be enough to increase its favorability regardless of the meanings associated with those celebrities (Skurnik, Yoon, Park, and Schwarz 2005). The Pavlovian procedure did transfer meaning from celebrity to brand for explicit attitudes as expected, with females in the control condition evaluating Gallo more favorably than those in the treatment condition. For explicit attitudes, the arrangement of Gallo with controversial celebrities was enough to for females in the treatment condition to evaluate the brand less favorably than females in the control condition. The reversal of attitude means, where females in the control condition held more favorable implicit attitudes and less favorable explicit attitudes is consistent with a dual process model (Gawronski and Bodenhausen 2006).

**LIMITATIONS AND FURTHER RESEARCH**

The APE model suggests that explicit attitudes and stated inferred beliefs might relate as both may use propositional reasoning. Implicit attitudes, however, need not relate to stated inferred beliefs, as their originating process is associative in nature. While this explanation fits with the current findings, the lack of correlation between inferred beliefs and implicit attitudes might have been measurement induced. The implicit attitude measure utilized a SC-IAT procedure while explicit attitude and inferred belief measures were operationalized with semantic differential scales. These scales followed the SC-IAT with explicit attitude measures preceding inferred belief measures. It is plausible that responses to explicit attitude measures were readily accessible and thus informed responses to the inferred belief measures. Implicit attitudes collected with response times may not have been as accessible to participants and thus failed to correlate in either direction with inferred beliefs. The only way to have avoided this alternative explanation fully

would be collection of inferred belief data in a manner similar to implicit attitudes. Utilizing an IAT-type measurement tool for addressing implicit inferred beliefs rather than attitudes may be an area ripe for future research.

Additionally, the nature of the distinction between Pavlovian conditioning and evaluative conditioning remains an area highly relevant to the APE model and implicit/explicit attitudes in general. The APE posits that Pavlovian conditioning will not have an effect on implicit attitudes but that evaluative conditioning may have an effect under certain conditions. The current study suggests that conditioning effects on implicit attitudes are possible with a Pavlovian procedure. Further comparison of Pavlovian conditioning and evaluative conditioning in order to gauge their effect on implicit and explicit attitudes is an important avenue for future research. Such investigation(s) may be able to inform the ongoing debate around these two types of conditioning. More generally, the APE is a very encompassing explanation for implicit and explicit attitude change but many of its propositions have not yet empirically tested. The assertions of the APE have broad implications for such areas as priming, conditioning, and persuasion.

The present study has some initial findings to suggest that implicit and explicit brand attitudes are worth considering separately. The non-significant relationship between the measures of these two types of attitudes suggests that both may help explain consumer judgment and decision-making. The differences in correlation between the attitude measures and inferred beliefs raise questions about whether researchers have been missing a great deal of diagnostic information involved in consumption behavior. While the consumer may say how much he/she likes a brand when asked, his/her underlying associations with the brand may be different from a voiced judgment. These implicit associations may lead to decisions to buy, use, or dispose of a brand different from what a consumer may indicate when directly asked. Considering implicit attitudes may help consumer researchers to paint a more complete picture of attitudes that inform judgment and decision-making.

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**APPENDIX**
SC-IAT Target Images and Words

| target images | target words | |
|---|---|---|
| | *Good* | *Bad* |
|  | beautiful | angry |
| | celebrating | brutal |
| | cheerful | destroy |
| | excellent | dirty |
| | excitement | disaster |
| | fabulous | disgusting |
| | friendly | dislike |
| | glad | evil |
| | glee | gross |
| | happy | horrible |
| | laughing | humiliate |
| | likable | nasty |
| | loving | noxious |
| | marvelous | painful |
| | pleasure | revolting |
| | smiling | sickening |
| | splendid | terrible |
| | superb | tragic |
| | paradise | ugly |
| | triumph | unpleasant |
| | wonderful | yucky |

# Visual Velocity: Content Font Effects and Incidental Online Ad Exposure

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## ABSTRACT

An eyetracker study explores how character spacing alters perceptions of reading speed and peripheral advertising fixations, and suggests content typography as a key method to increase peripheral online ad effectiveness Subjective reading measures do not correlate with objective visual search patterns: consumers vary subjective readability ratings based on spacing changes but there are no objective differences in reading time. The increased time and distance between visual fixations for wide spacing offsets the decreased time spent within fixations. The larger movements in wide spacing conditions leads to increased visual attention on peripheral advertising banners without increasing conscious awareness during exposure.

## INTRODUCTION

As the influence of interactive media has risen, the traditional standards of text display have become more flexible. No longer tied to strict rules of printed newspapers and magazines, typography and font effects have become a vital component of online communication and promotion (McCarthy & Mothersbaugh 2002). Limited prior research has explored the effects of typography on various items of interest to marketers, such as reading speed and retention, but the work exploring font effects online remains scarce. Recent research has suggested that the effects of typography on the printed page may not carry over into monitor-based reading. This issue has become increasingly important recently with the rise of web logs, also known as blogs, as a viable promotional medium. For example, over 29% of traffic to an Audi website during a recent campaign was generated by blog ads that were purchased with 0.5% of the marketing budget (Hall 2005). While blogs are currently a small portion of most media buys, blog advertising is predicted to grow to roughly $50 million in 2006, up from roughly $20 million in 2005 (Davis 2006). Companies themselves have also begun to launch promotional blogs as a method for communicating directly with their target markets.

The longer a person takes to read a particular blog, the more time that person has to be exposed to promotional messages either contained within the blog text itself or posted in the columns to the sides of the main post. At the same time, the blog must be perceived as easy to read in order to avoid mounting frustration in the reader. Given their primarily textual content, advanced graphical design elements will only play a partial role in blog readability metrics. Font and typography, on the other hand, are easily controlled and manipulated, and prior research on typographic effects suggests it will have an effect upon various metrics of interest to the consumer. In addition to increasing or decreasing the actual size of the webpage, font typography effects might engender changes in a consumer's visual search pattern as they read the blog, and this could increase or decrease the likelihood of incidental fixations on advertising content. The purpose of this work, then, is to explore how two easily-changed aspects of typography affect subjective and objective readability and reading speed for online blogs, and explore the implications for visual attention to blog-based advertising.

### Prior Work & Propositions

Two more easily controlled aspects of online typography is the space between characters, known as 'tracking,' and whether the font chosen for a webpage is serif or sans-serif. Prior research has shown that for physically printed material, serif fonts (such as Times New Roman or Garamond) are faster to read than sans-serif fonts (such as Arial or Verdana). However, this result has been called into question for reading on a computer monitor, with preliminary work showing an advantage for serif over sans-serif fonts (Wilson 2001), and experimental research showing mixed effects for serifs and reading speed (Arditi & Cho 2005).

Two key areas tracking is likely to affect are the number of letters contained within a single visual fixation, and the frequency of errors in letter or word identification. The effects of tracking on ease of reading and reading speed, however, has conflicting evidence within the literature. McCarthy & Mothersbaugh (2002) argue that tighter tracking will increase the number of letters in each perceptual span, thus increasing reading speed, and this effect is echoed in Overschelde & Healy (2005). It also follows that if the number of letters able to be processed in one fixation is not fixed, the reduction in letters per visual fixation when using wide tracking will require longer words to have two or three fixations, where only one fixation would have sufficed under tighter tracking, thus reducing reading speed. At the same time, the work on perceptual errors offers up the opposite finding. There is some evidence that very tight tracking creates crowding, which interferes with letter recognition (Chung et al 2001), and thus wide tracking should increase reading speed.

Running counter to both findings, however, is a series of papers exploring the perceptual span in reading (summarized in Rayner 1998) that suggests the number of letters we can effectively process in one visual fixation is relatively fixed at around 3 to 4 characters spaces to the left of the fixation point and 14 to 15 character spaces to the right. If this holds true, then tracking changes should have little effect upon reading speed as a section of text will require the same number of fixations to complete regardless of tracking level. Some recent work supports this position, with results showing mixed results for the effects of fonts on readability online (Ling & VanSchaik 2006), and other work suggesting typographic effects on readability might only be important under situations of low luminance or degraded visual signals (Yager et al 2005). In short, there is currently little consensus on the effect of tracking in perceptions of ease and speed of reading, little objective evidence of the visual search pattern itself, and a need for an exploration of these effects in an online context.

The ability to increase tracking without sacrificing ease or speed of reading might be preferable from a marketing perspective. Wider tracking would create more lines of text on the blog webpage, lengthening the overall page and creating increased space along either side of the entry to place promotional messages or advertising. Wider tracking should also increase the amount of space physically covered by the visual search and reading routine, potentially increasing the likelihood that the point-of-gaze will pass over promotional material irrespective of reading speed. Indeed, even incidental exposure to banner advertising without clickthrough can engender positive effects towards the brands being advertised (Mitchell and Valenzuela 2005). As there is a general bias towards the center of the screen when engaging in reading tasks (Vitu et al 2004), any effect that can increase the amount of screen space covered would be of value to marketers as advertising is traditionally placed on the perimeter of the webpage. This is of increasing

importance given story body text becomes 'stickier' with respect to visual fixations due to attentional inertia as users move deeper and deeper into a website (Wang and Day 2007), so incidental/accidental visual attention could be the only exposure many online ads receive.

An online study using eyetracker analysis was designed to offer insight into the conflicts within the literature outlined above, and explore typographic effects on readability. The visual search pattern measures created through eyetracker analysis allow for a detailed exploration of reading speed, errors, and fixation duration and location (Sheree 2005). Survey measures would capture subjective judgments of reading speed and ease of use and also illuminate whether any objective changes in the visual search pattern created by the typographic manipulations entered active cognition and memory for the media.

## STUDY 1

### Design

The stimuli designed for the study was that of a Tourism & Travel blog, similar to sites such as TripAdvisor.com or Gridskipper.com. The blog was three pages long, and each page detailed a tourist's "trip report" about his or her vacation to the island of Elba, off the coast of Italy. The comparatively unfamiliar island of Elba was chosen to ensure that all study participants had a similar level of familiarity with the subject matter prior to stimulus exposure. All three pages used 12-point font, single spaced, and the ordering of the three stories remained unchanged across subjects. The three trip reports shared many similar characteristics, such as similar word count (246 vs 268 vs 223), and each was bordered by three pictures of Elba on the left-hand side of the text (see Image 1). Two banner ads remained constant across the three blog pages, one banner for Travelocity on the left-hand side of the page, and one banner for Westin resorts on the right-hand side of the page.

Tracking and serifs were manipulated across all three blog stories. Tracking was varied by 15%, so the wide tracking condition had character spacing at 115% of the default font spacing while tight tracking had character spacing at 85% of default. The values were chosen because the differences were large enough to be noticeable when directly compared, yet still plausible enough when examined individually that the font would appear realistic and natural. Times New Roman was utilized as the serif font, and Arial was utilized as the sans-serif font. Each participant saw different combinations for the three trip reports so, for example, one subject would see the first story with wide tracking and serifs, the second story with tight tracking and sans-serif, and the third story with moderate tracking and serifs, while the next subject saw a different combination of typographic manipulations and story. Across the pool of participants, each combination of tracking (wide, moderate, tight) and serif (serif, sans-serif) occurred an equal number of times for each story. This within-subjects manipulation was necessary due to the limitations on sample size imposed by the need to run each participant individually in the eyetracker lab.

Twenty-four undergraduate students, mixed as to gender, were recruited from an east-coast private university and compensated with a $10 online gift certificate for their participation. Participants were run in two separate waves approximately nine months apart; a 'wave' covariate was included in analysis ANOVAs but had no effect upon results. Upon entering the lab, participants were briefly introduced to the eyetracker equipment and calibrated using a 9-point gaze chart so the system could map point-of-gaze onto screen images. The ASL 6000 system employed an infrared corneal-reflection technique to capture point-of-gaze data at sixty frames per second, accurate to within 1.5 degrees of the visual search field. GazeTracker software was then used to record all visuals on the display monitor and to map point-of-gaze information onto the stimuli post-exposure. The GazeTracker software also analyzed the point-of-gaze information and marked fixation points along the visual search pattern (see Image 2). These fixation points represent areas of visual attention, as the eye moves from fixation point to fixation point in a series of saccadic movements where visual processing is limited. The system used created a fixation for each collection of gazepoints contained within one to five visual degrees that lasted more than 200 milliseconds.

Participants were instructed that they would be reading a travel blog and then asked questions about their experience, following which they were exposed to the three travel blog stimuli pages. Participants were free to read at their own pace and moved on to the next page in the travel blog by clicking on the large 'NEXT' button at the bottom of each page. During stimuli exposure, the eyetracker created and saved a video of the website with the point-of-gaze gazetrail and visual fixations overlaid on the image. The GazeTracker software also recorded the following variables, broken down by separate blog story, for each participant: Total Time Shown, Total Time Tracked, Percentage of Time Fixated Relative to Time Tracked, Number of Fixations, Number of Gazepoints, and Average Fixation Duration. Measures of average X/Y distance between gazepoints (measured in pixels) and standard deviation of gaze location across exposure time (also measured in pixels) were computed as further measures of overall eye speed and movement intensity.

Following stimuli exposure, participants were first asked a series of multiple choice recall questions on blog content, then rated each story on "easy to read", "useful", "fast to read", "visual", "informative", "interesting", and "trustworthy" 7-point Likert scales. They were then asked a series of general computer- and internet-usage questions. Finally, participants were asked to free-response recall any banner ads they saw, and then were asked to circle the 2 brands advertised from a list of 15 travel brands. The overall procedure lasted roughly thirty minutes for each participant.

### Results

*Subjective Reading Measures:* Not surprisingly, significant correlations were discovered between a participant's rating of a blog as easy to read and their ratings of it as fast (r=.576, $p<.01$), interesting (r=.615, $p<.01$), and trustworthy (r=.412 $p<.01$). But does tracking affect the perception of a blog as easy to read? A one-way ANOVA of tracking on the ease of reading measure revealed a significant effect for the tracking manipulation on the easy-to-read measure (F=4.129, $p<.05$). Planned contrasts reveal that the moderate tracking condition had higher easy-to-read ratings compared to the tight (5.35 vs 3.82, $p<.01$) *or* wide tracking conditions (5.35 vs 4.47, $p<.05$). Including story as a covariate in the ANOVA (to control for any differences across the three story replications) did not change the pattern or significance of the results. While this inverted-U pattern of effects replicated for the effect of tracking on subjects measures of reading speed, trustworthiness, and interest, these patterns were only directional and not found to be significant. As for serifs, an ANOVA revealed a significant effect on subjective reading speed (F=5.195, $p<.04$), where the sans-serif font was rated as significantly faster to read than the serif font (5.06 vs 4.17), but the serif manipulation had no effect on ease of reading or trustworthiness and interest ratings.

*Objective Reading Measures:* Do these subjective reports of reading speed and ease of use correlate with more objective measures of the visual pattern? It would appear that people's percep-

**IMAGE 1**
Sample stimulus page
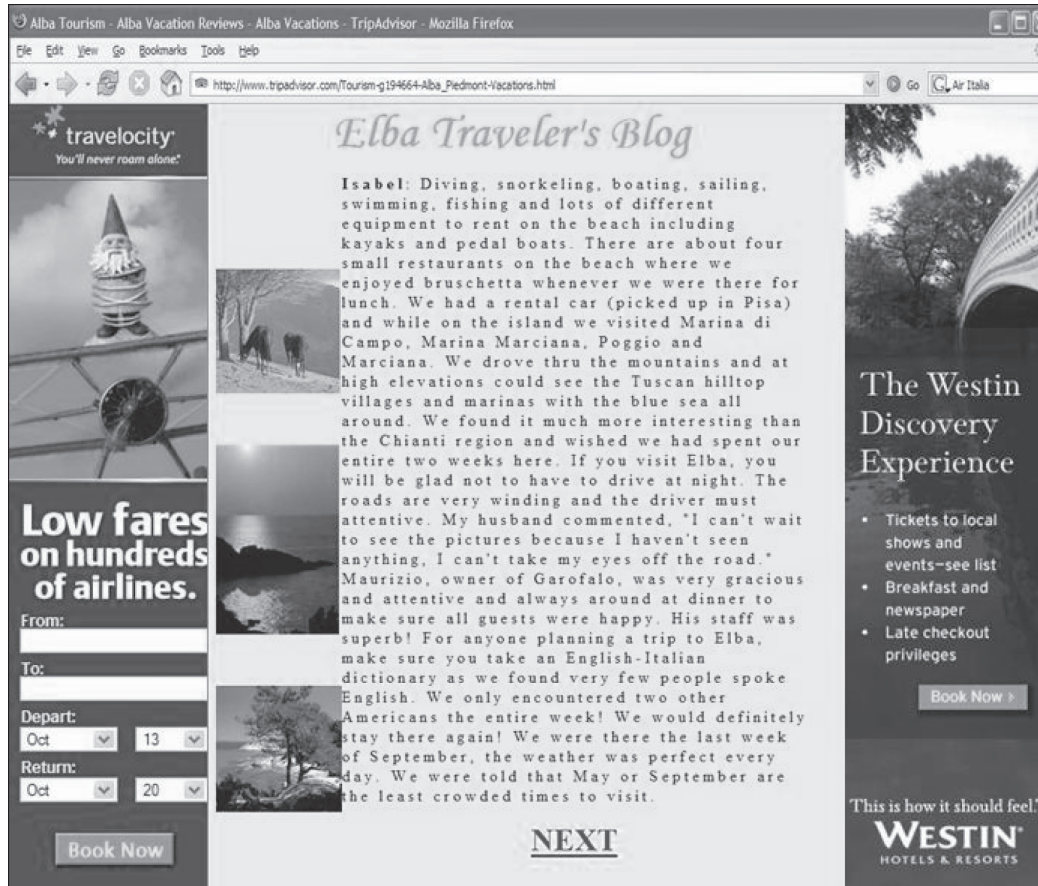


**IMAGE 2**
Gazetrail and fixation points example

# FIGURE 1

## Fixation Duration
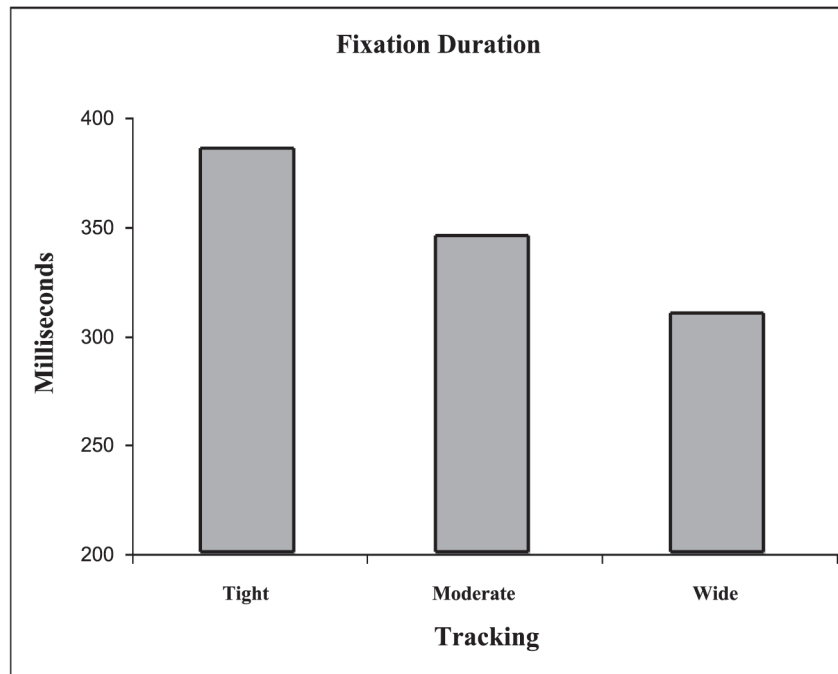


tions of reading speed are not accurately reflecting their experience, as there were no significant correlations between the subjective reading speed or ease of use measures from the survey and the objective measures of reading speed taken from the eyetracker (time spent on page, time spent in fixations on page, number of fixations on the page). Serifs, as well, had no significant effect on objective measures of the visual search pattern. So does tracking have an objective effect on the visual search pattern? An ANOVA analysis of the effects of the tracking and serif manipulations revealed a significant main effect of the tracking manipulation on the average fixation duration (F=4.015, p<.05). The mean fixation length was 385msec for the tight tracking pages, 345msec for the moderate tracking pages, and 310msec for the wide tracking pages (see figure 1).

This shows that participants spend longer in each fixation when the letters are closer together. From this one might assume that the wide tracking condition was faster to read, since each fixation took less time on average. A second ANOVA exploring the effects of the tracking manipulation on the percentage of overall time spent fixated, however, reveals a significant counterbalancing effect on percentage of time spent within fixations (F=8.839 p<.01). Participants spent an average of 84% of their time within fixations for the tight tracking pages, compared to 79% for the moderate tracking pages and 75% for the wide tracking pages (see figure 2). Thus, while tight tracking makes the average fixation length longer, the participant spends less time non-fixated, with shorter and faster movements from fixation to fixation. Conversely, wide tracking decreases the amount of time each fixation takes, but increases the amount of time non-fixated as participants have to move their point-of-gaze further between fixations.

These two effects appear to 'cancel out' when looking at the overall time it takes to read a blog: an ANOVA of any of the time of gaze measures on tracking revealed no significant effect (p>.50). These results suggest that the number of letters able to be processed within a single fixation is indeed fixed at a relatively stable number

for an individual (as per Rayner 1998). Readers then need to space their fixations further apart in wide-tracking conditions which increases the amount of time spent moving from fixation to fixation. Re-examining the video record, this pattern of results is supported by the evidence that the number of fixations per line of text appears no different between tight, moderate, and wide tracking conditions, instead participants vary the distance traveled between fixations to account for the differing width of words.[1] Measures of visual search speed reinforce that wide-tracking readers are covering a wider area of the screen and moving their visual attention to a greater degree than tight or moderate tracking readers. They exhibit significantly higher standard deviations of X/Y position on-screen than either tight or moderate tracking participants (132 pixels vs 105 or 113 pixels, both *p*<.05), and measures of average X/Y distance from gazepoint to gazepoint are also significantly higher (10.7 pixels vs 7.6 or 9.1 pixels, both p<.05)

One concern with using tight tracking raised in the prior literature is that by placing letters closer together, more errors in letter and word identification will result, causing more repetition and backtracking within the visual search pattern. The experimenters also reviewed the videos of the participant's visual search pattern on the stimuli blogs, counting the number of backtracks or repeat fixations on the same or earlier groups of text. While the pattern of results matched expectations, with tight tracking having the highest mean backtracks per page (8.3) compared to moderate (7.5) or wide tracking (6.4), the difference was only directional and not significant due to wide variance within condition. The number of backtracks also did *not* have a significant correlation with the

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[1]While it is no doubt possible to introduce tracking so wide that the traditional letter span would not fit within the range of focal/foveal vision and the number of fixations required for to process line of wide-tracking text would increase, it is unlikely that such a font environment would be used on body text within a blog.

FIGURE 2
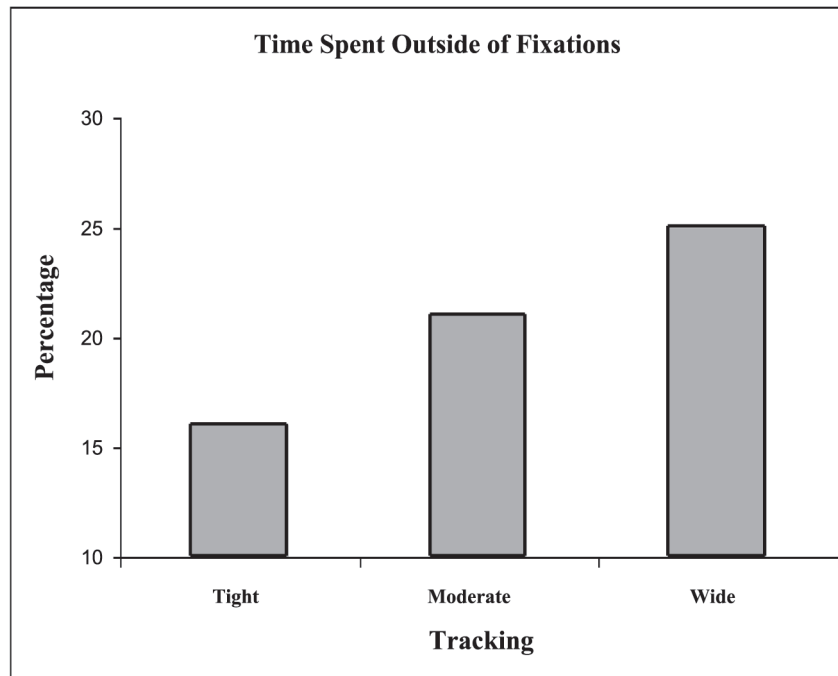


participants subjective measures of ease or speed of reading, suggesting that the backtracks are taking place on an automatic or non-conscious level, and information may be frequently aggregated across backtracks in early perception before cognition comes into play. Backtracks also resulted in no additional fixations or visual attention on advertising content.

*Advertising Effects:* So if readers of wide-tracking text are moving their eyes further between fixations, does this make incidental fixations on advertising content surrounding the body text more likely? To explore this, incidental gazepoints and follow-up fixations on advertising content was explored on the first page only.[2] Regardless of tracking condition, the banner ads receive initial fixations upon participant exposure to the first webpage, as they engage in a visual search across the entire page to establish a mental map of the screen and content format. An ANOVA exploring the effects of tracking on first-page ad fixations reveals no significant effect if fixations are viewed as a whole. If "follow-up" fixations (i.e. fixations that take place after the initial visual search of the page is completed and the participant is in the process of actively reading the blog entry) are used instead, a more pure measure of tracking effects a marginal effect of tracking appears (F=2.834, *p*<.09, see Figure 3).

The wide tracking condition has more follow-up fixations on advertising content (M=8.66) than moderate (M=7.06) or tight (M=5.98) tracking. Interestingly, while initial fixations show a directional bias towards the left banner ad (likely due to it's occurrence in what is traditionally menu-bar location) follow-up fixations appear evenly divided between the two banners, and are not significantly different from each other.

Does tracking more strongly affect incidental gazepoints (i.e. isolated gazepoints along the visual search trail but not contained within a focal fixation) on advertising content? Incidental gazepoints were computed by filtering the gazetrail data so only frames where the gazepoint was within the X/Y boundaries of the two banner ads were included, followed by the removal of all frames within fixations. An ANOVA of the effect of tracking manipulation on incidental ad gazepoints reveals a significant effect of tracking (F=3.874 *p*<.05, see Figure 4).

Wide tracking readers had the highest incidental gazepoints on the banner ads (M=61.25) followed by moderate (M=55.63) and tight (M=46.88, see Figure 4) tracking. Here, incidental fixations were biased to the banner ad on the right, as the body text was separated from the left bumper by a series of Elba photographs. Thus, perceptual errors and 'overshoots' of visual fixations rarely made it all the way to the left bumper, whereas the right bumper abutted the text and received more incidental fixations as a result.

These results provide strong evidence that wide tracking on body text can be a beneficial tool for online advertising beyond the simple increase in adjoining space it can provide. Wider tracking actually increases the incidental fixations on advertising banners due to the increased movement within the visual search pattern, and does so without impacting objective reading speed or perceived interest in or trustworthiness of the source.

## DISCUSSION

In summary, varying tracking seems to create offsetting effects on reading speed and usability. The increased time necessary to make larger movements *between* fixations for wide tracking offsets the decreased time spent *within* each fixation, so tracking overall has little effect on overall objective measures of reading speed. The objective measures of reading speed and ease of use seem also to have little correlation with subjective measures of the same, suggesting that typographic manipulations offer a unique route for exploring online promotional impact without impacting

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[2]This is necessary because of a strong page-order effect where ad fixations and attention decrease with page number; unfortunately separating the pages significantly reduces the N available for analysis.

**FIGURE 3**

Followup Fixations on Ad Banners



**FIGURE 4**

Incidental Gazepoints on Ad Banners
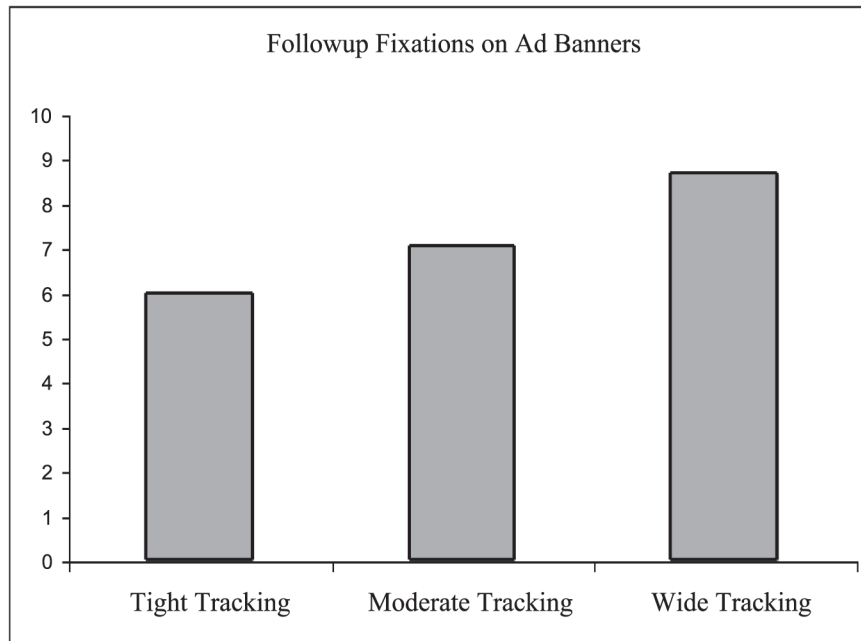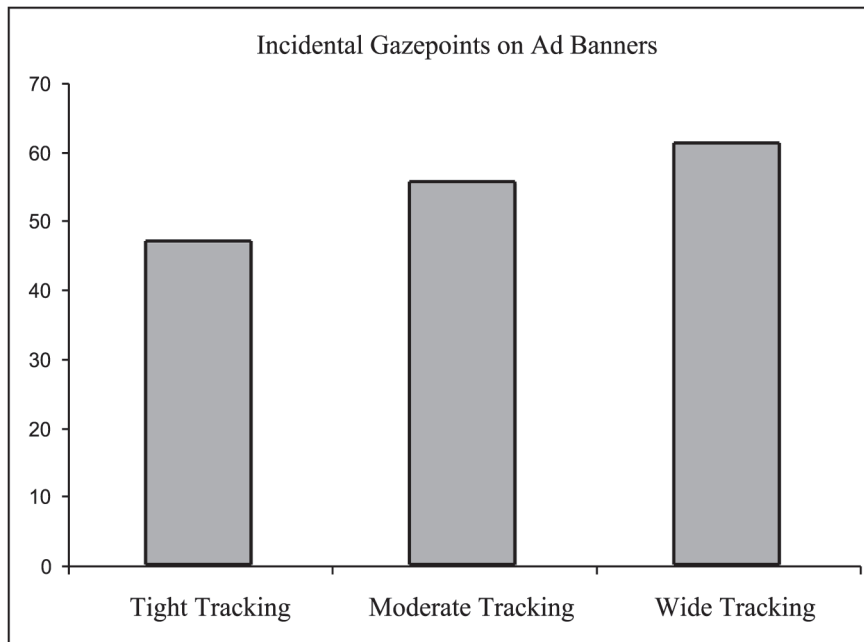


overall website perceptions. Indeed, wide tracking significantly increased incidental gazepoints on advertising content surrounding blog text and marginally increased follow-up focal fixations on ad banners.

It is important to note that tracking was not shown to have an effect on source trustworthiness in the current work; the exposure time to each tracking condition was somewhat limited. It would be interesting to extend the length of each blog entry as well as make the promotional nature of the target stimuli transparent, to better explicitly test for traditional marketing outcome measures such as

attitude-towards-brand or purchase intent. Future work might also explore the boundary conditions of tracking as it relates to ease of reading. If tracking becomes too tight, letters begin to overlap and word recognition will suffer greatly. If tracking becomes too wide, a single visual fixation will not be able to take in as many letters as are possible to process at once, interfering with word recognition as individual words are split across multiple fixations. Finally, it should be noted that the banner ads used in this study were directly relevant to the travel blog content. While intuition suggests that incidental fixation differences based on tracking will not be af-

fected by varying the ad relevance, further work could explore interactions between ad relevance and tracking on follow-up fixations.

Overall, these results suggest that increasing tracking on a blog or webpage might offer promotional benefits with little cost in subjective ease of reading by the consumer. A website or blog using wide tracking will make the target article longer on the page, assuming column width is held constant. This allows more space along either side of the article in which to place advertising or promotional messages at no cost to the perceived ease of reading or trustworthiness of the site. In addition, wide tracking increases the amount of movement within the visual search and reading pattern, which increases incidental fixations on surrounding banner ads. While increasing tracking will not actually increase the time spent on the page, the extra visual space and visual attention on ad content comes without a significant negative impact on reading speed, trustworthiness, or interest in the piece.

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# Balance and Word-of-Mouth Communication: A Signed Digraph Analysis of Consumers' Cognitive Networks

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## ABSTRACT

This research investigates the role of balance and consistency in inter-consumer communication, through an analysis of consumers' cognitive networks representing their word-of-mouth (WOM) experiences. Following a preliminary study employing in-depth interviews, consumers' recalled and hypothetical WOM experiences were examined in an online survey according to social network methods. Results indicate that digraphs associated with recalled WOM experiences are more balanced than would be the case if they were generated by chance, and importantly, this balance implicates disseminators' future WOM propensities. We conclude that consumers' micro-level cognitive processes affect their propensities to engage in future macro-level marketplace communication.

## INTRODUCTION

Researchers across a variety of disciplines including economics, sociology and marketing have established the significant impact of WOM on the marketplace, due to its inherent credibility, reach, and relevance ( Godes et al. 2005). Early WOM researchers generally considered the phenomenon from a macro or marketplace perspective (Frenzen and Nakamoto 1993). For example, Bass (1969) developed a model that described the significance of interpersonal communication relative to mass media following the introduction of a new product, and Granovetter (1973) highlighted the role of social networks in his examination of job changers' quests for new employment. More recently, Godes and Mayzlin (2004) concluded that online conversations regarding TV shows that transcend across (as opposed to within) community networks may be more predictive of ratings than simple counts of online mentions. Focusing instead on the micro perspective of WOM are researchers who describe and define the individual consumer traits, motivations and other factors associated with WOM behaviors, such as altruism (Price et al. 1995), and self-enhancement (Wojnicki and Godes 2006).

Frenzen and Nakamoto (1993) first illustrated the value of integrating the macro and micro perspectives in WOM. They created a simulation to demonstrate the macro effects of consumer communication across various combinations of strong and weak relationship ties. Then, they demonstrated consumers' propensities to share marketplace information depending on the moral hazard associated with the information and concluded that "when moral hazard is high, weak ties are frail," that is, when sharing marketplace information in costly, consumers may still share the information with their strong ties, but are less likely to share it with their weak ties. In the present research, we seek to similarly bridge the micro and macro perspectives to improve our understanding of WOM processes.

Here, the phenomenon is considered at a supra-individual level, but all from the perspective of a single consumer—the disseminator of the WOM. The unit of analysis is a WOM "digraph" that represents the disseminator's cognitive network associated with a specific WOM experience. Employing the theories and empirical methods associated with basic balance theory, our objective is to demonstrate the prevalence and implications of consumers' desire for balance in the context of WOM. This enquiry is worthy of our efforts, since consistency has been established as a fundamental cognitive and social process (Eagly and Chaiken 1998; Hummon and Doreian 2003).

## BALANCE THEORY

*Balance theory* is both a general theory and a methodological framework for conducting empirical analyses (Hummon and Doreian 2003).The concept of balance has been fruitfully applied to various contexts such as international relations, community elites (Wasserman and Faust 1999), and consumer behavior. The theory of "cognitive balance" was introduced by Heider (1946), who modeled our universal quest for consensual validation of personal tastes with his P-O-X triad, encompassing one person (*P*), the other (*O*) and an entity (*X*). Social network analysts characterize the P-O-X triad as one form of a digraph —a set of nodes that are connected by directed (i.e., flowing from one to another) and valenced relations in a closed network (Wasserman and Faust 1999). The valences of the ties can be operationalized in a variety of ways, such as positive/negative affect or similarity/dissimilarity. Psychological balance exists when the ties between these three nodes are harmonized, that is, they are all positive or one tie is positive and the other two are negative, as per the laws of transitivity.

Behavioral researchers have leveraged Heider's theory as a foundation for other more nuanced balance-related theories such as cognitive dissonance (Festinger 1957), self verification (Swann 1983), and parallel constraint satisfaction (Simon et al. 2004). Cognitive dissonance, the most pervasive of these balance theories, specifies that people strive for consistency across their related cognitions, particularly when they have foresight or when their convictions are public (Festinger 1957). Intolerable inconsistencies are reconciled by changing the valence or significance of cognitions. While the present research focuses on basic balance theory, we examine consumers' future WOM propensities following balanced and imbalanced WOM experiences as a possible means to maintain consistency. We also suggest other factors to explore in future WOM research in accordance with cognitive dissonance.

Balance theory has been applied to several consumer phenomena. Belk (1976) demonstrated that consumers' recalled gift-giving experiences are more balanced than would be the case if the experiences were generated by chance (40% vs. 24%), and that satisfaction with gift-giving is correlated with balance. Other research indicates that consumer choice is affected by attribute balance (Chernev 2005), and that persuasion attempts laden with inconsistent emotions may lead to less favorable brand attitudes (Williams and Aaker 2002). In the context of celebrity endorsements, research indicates that consumers may implicitly consider a self-celebrity-brand triad in their attitude formations (Kamins 1990). For our context, we translate Heider's P-O-X triad to a basic D-R-T triad (disseminator-receiver-product). The signs of the three ties that connect these three nodes will be identified as likes or dislikes, as identified by the disseminator–see figure 1. In a preliminary study, we first seek to establish the relevance of balance in WOM communication with this framework.

Based on the laws of transitivity and given the eight possible versions of this signed digraph, four are balanced and the other four are unbalanced. As such, if generated by chance, we would expect 50% to be balanced. Based on the preference for balanced conditions as stated by balance theory, we anticipate that more than 50% of the WOM triads generated by consumers will be balanced and that consumers will be more satisfied when their WOM experiences are balanced:

**FIGURE 1**
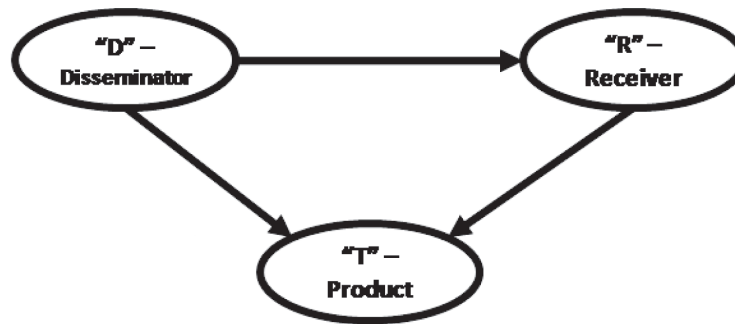


**TABLE 1**
Preliminary Study-In-depth Interview Results

| Triad Number | D→R (valence) freq | D→T (valence) freq | R→T (valence) freq | Frequency (Proportion) | Balanced | Sat | Dissat |
|---|---|---|---|---|---|---|---|
| 1 | (+)28 | (+)28 | (+)28 | 28 (59.57%) | Yes | 28 (100%) | 0 (0%) |
| 2 | (+) 12 | (+) 12 | (-) 12 | 12 (25.53%) | No | 5 (42%) | 7 (58%) |
| 3 | (+) 4 | (-) 4 | (+) 4 | 4 (8.51%) | No | 1 (25%) | 3 (75%) |
| 4 | (+) 3 | (-) 3 | (-) 3 | 3 (6.38%) | Yes | 3 (100%) | 0 (0%) |
| 5 | (-) 0 | (+) 0 | (-) 0 | 0 (0 %) | Yes | 0 | 0 |
| 6 | (-) 0 | (-) 0 | (+) 0 | 0 (0 %) | Yes | 0 | 0 |
| 7 | (-) 0 | (-) 0 | (-) 0 | 0 (0 %) | No | 0 | 0 |
| 8 | (-) 0 | (+) 0 | (+) 0 | 0 (0 %) | No | 0 | 0 |
| *Positive* | 47 (100%) 0 (0%) | 40 (85.11%) | 32 (58.09%) | 47 (100%) | 31=65.96% balanced | 37 (78.72%) | 10 (21.28%) |
| *Negative* | | 7 (14.89%) | 15 (31.91%) | | 16=34.04% imbalanced | | |

| | | Sati | Dissat | Total |
|---|---|---|---|---|
| *Frequency* | Balanced | 31 | 0 | 31 |
| *Cross Tabulation* | Unbalanced | 6 | 10 | 16 |
| $\chi^2$ (1)=24.612 $p<.001$ | Total | 37 | 10 | 47 |

*H1*: The digraphs associated with consumers' WOM experiences are more balanced on average than would be expected if the digraphs were generated by chance.

*H2*: Consumers report higher levels of satisfaction with WOM experiences when the digraphs associated with the experience are balanced vs. when they are not balanced.

## PRELIMINARY STUDY–INDEPTH INTERVIEWS

### Method and Analysis

Ten one-on-one, phenomenological interviews were conducted. Participants included five women and five men ranging in age from 24 to 60, with significant variation across class, vocation and ethnicity. These in-depth interviews were conducted at a central research facility and lasted between two-and-a-half and three hours. Participants were each paid $100 as compensation.

An interviewer blind to the research objective followed an interview guide that encouraged discovery-oriented exploration of consumers' perceptions of their WOM experiences. Participants were asked to articulate their "thoughts, feelings and experiences regarding sharing information with others about products and ser-

vices" using their own words through storytelling, photo probes, Kelley grid/laddering, and sensory exercises (Thompson et al. 1997; Zaltman 1997). The terms "word-of-mouth," "balance" and "consistency" were not brought up by the interviewer and emic terms were probed and defined by participants. The interviewer guided the participant to focus across a multitude of retrospective experiences (as opposed to abstract generalizations), which afforded inference of patterns within and across interviews (Holt 1997; Thompson et al. 1997).

Given our focus on retrospective accounts, we acknowledge issues associated with recall, particularly the propensity for people to recall consistent events (Freeman 1992). To address this, we also test implications associated with balanced and imbalanced hypothetical experiences in the main study. Here, we highlight three points in defense of recalled accounts that are particularly relevant to this context as suggested by Gardial et al. (1994). First, regardless of whether it represents objective reality, recalled protocol is assumed to be representative of memory structure, which is particularly germane to cognitive networks. Second, memory may be predictive of future behaviors, which we seek to understand here in terms of future WOM. Last, "memory data may be the basis for most consumer WOM

## FIGURE 2
### Preliminary Study-Examples of Triads and Corresponding Quotes
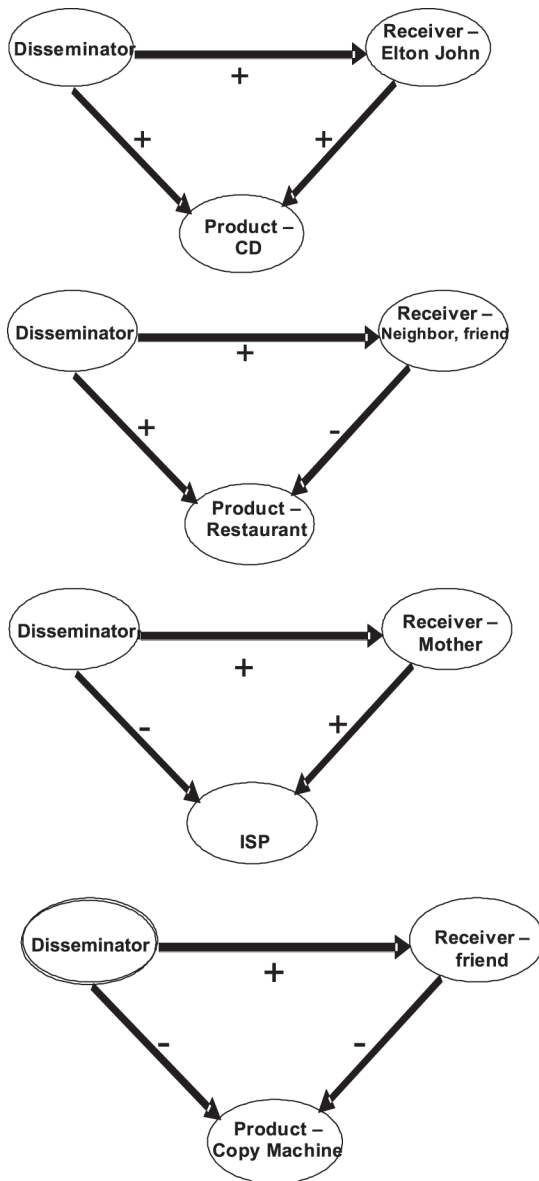


**TRIAD #1–Balanced**

"I got to know Elton a little bit when I went and visited the recording studio. And I was wearing a T-shirt that said Innocence Mission on it and he looked at that T-shirt and he said 'Who? What's Innocence Mission?'... So I said to myself oh great this is a CD he doesn't have. So I Fed Exed it to him. The next time I saw him was backstage at a Billy Joel show in Foxborough and I said, 'Did you get the Innocence Mission thing I sent you?' He said, 'yeah, yeah. It's really great.' … It gives you a sense of knowledge, power. Like I am a leader…"                  – Interviewee I

**TRIAD #2–Not Balanced**

"It was in November at the Cape. My wife and I recommended a restaurant that we went to… we had a wonderful experience there. And our good friends and neighbors across the street said 'how was it?' …We said it was fantastic, relaxing. We had a wonderful time. Then they went and it was horrendous and the wife was upset to the point where it was irritating. I mean to the point where you really wanted to slap her. I mean she was rude and said, 'God don't you recommend that to anyone again. We wasted money. We had a terrible time. The food was rotten and the drink was rotten and the waitress was rotten.' So I said well that's the last time I'll recommend a restaurant to anyone. I felt terrible."
                                                         – Interviewee B

**TRIAD #3–Not Balanced**

"I feel extremely negatively about [ISP brand]… I just hate everything about it… I got my mother onto [this ISP] because there's no way she could interface with anything else...the thing is, sharing the information with my mother had to… take place in a very different way. ... I felt duplicities…I couldn't let her know that [this ISP] is the right one for you because it's actually dumbed-down the most... I'm really disgusted with the fact that I've like given into the evil empire and now I have a family member who is happily using [this ISP]-and I promoted it... So, I have a lot of mixed feelings about it."                  – Interviewee C

**TRIAD #4–Balanced**

"I had a friend who was in computers, … I had worked on copy machines. And I said, 'you don't want this copy machine.… it involves a lot of maintenance. It involves a lot more parts that you have to replace. It involves a maintenance contract, which you don't want to get involved with.' …. Then-[he had the] same result."                  – Interviewee G

communications, as consumers are more likely to relate memories of their experiences (what they *think* actually occurred) than the actual experience itself" (p.551). This implies the association between consumption experience recall and WOM behaviors, which we suggest transcends beyond the WOM experience as an ends to become a recalled experience itself.

Interviews were taped and later transcribed to yield over 200 pages of single-spaced data. Two coders who were blind to the research objective first identified all of the WOM experiences (N=47), and then coded tie valences. The D→R tie represents the disseminator's perception of her relationship with the receiver immediately before the experience. The D→T tie represents the valence of the product message. The R→T tie was defined as the disseminator's perception of the receiver's satisfaction with the product. Each of these ties was coded as "+1" (like, positive affect) or "-1" (dislike, negative affect). In addition, the coders rated the disseminator's level

of satisfaction with the experience as "+1" (satisfied), "0" (neutral), "-1" (dissatisfied), or "na" (not mentioned). Inter-rater reliability was established at 82% for the experiences, 77% for the ties and 84% for the satisfaction ratings. Discrepancies were resolved through discussion. The coders also highlighted recurring themes from the participants' recounts. This post-hoc, secondary task was purposefully vague and intended to provide general insights, some of which were examined in the main study.

### Results & Discussion

Forty-seven complete WOM experiences were identified in the data. Table 1 describes the data according to the valences of the ties. For illustration purposes, an example of each of the four types of complete triads elicited is highlighted in figure 2. Amongst the triads, 59.57% contained only positive ties, and all of the triads had a positive D→R tie.

Of the 47 triads, 31 were balanced (*BalProp*=.660), supporting hypothesis 1 (one-sided *t*(1,47)=.160, *p*=.014). Thirty-seven (78.72%) were rated as "satisfying" and 10 (21.26%) were rated as "dissatisfying" (zero were rated as "neutral"). The correlation between satisfaction and balance is *r*=.724 (*p*<.001), confirming hypothesis 2. Further insight into the relationship between balance and satisfaction is highlighted in the cross-tabulation count at the bottom of table 1; balance and satisfaction are not independent ($\chi^2$(1)=24.612, *p*<.001). Furthermore, six of the 47 WOM experiences identified were anomalous; that is, they were not "balanced and satisfying," nor were they "unbalanced and dissatisfying;" all six were "unbalanced and satisfying." A more detailed analysis reveals that since the D→R tie was positive for all triads, in order for these six triads to be unbalanced, the disseminator and the receiver had to disagree regarding their opinion of the product (i.e., the D→T and R→T ties are either positive and negative respectively, or vice versa). Furthermore, these six experiences could be categorized into two types. The first is that the disseminator appeared to have an extremely strong tie with the receiver, such that the disagreement about a single product/service was trivial compared to the personal relationship:

"…like when I've told my mother that I bought a certain pair of shoes… and she says, oh no you don't that's just silly. I don't really worry about it as much cause they have their views and that's fine but it's just fun being able to share something that you've experienced with other people."

<div align="right">Interviewee F</div>

"…sometimes it could be a nothing thing. I mean who cares if she goes to that restaurant really."

<div align="right">Interviewee H</div>

For the second type of anomaly, the whole experience is viewed as trivial or inconsequential:

"…*(My friend asks me)* What do you like? I like Sam Adams… It…tastes good. Whether or not it's true or not true, he's not really focusing on my opinion because he's …only half listening. It isn't going to get underneath his psyche and make an impression."

<div align="right">Interviewee G</div>

"I'm saying, 'I have this (*CD*). I want to share it with you…. it's either positive or negative. It could be so many things. But it's just information. That's what it is. That's all it is… The other person's thinking, 'All right. I'll check it out,' Then, he'd either be saying, 'Hey, that's not for me. Throw it away-whatever.' but it doesn't really matter either way."

<div align="right">Interviewee D</div>

When interpreting the results of these interviews, we highlight the positivity effect and its implications in terms of recall biases—consumers may be more likely to recall positive, satisfying, and cognitively balanced experiences. For example, Freeman (1992) concluded that many inaccuracies in participants' recall of networks could be attributed to their propensity to "correct" for imbalance or intransitivity. Recognizing these biases and in order to elicit data in the subsequent main study with sufficient variance across the various WOM experiences, we do two things. First, for half of the recalled WOM experiences, participants are instructed to recall a WOM experience for a product with which they were dissatisfied. Second, hypothetical scenarios are also incorporated where the WOM digraphs are manipulated. The coders also noted that the degrees of the valence and the importance of the ties varied within and

across episodes, consistent with balance theorists who criticize unitary tie measures as being too constraining (Simon et al. 2004). We address this in the main study by incorporating continuous interpersonal weight (importance) and strength measures (duration, intensity, intimacy-Granovetter 1973) as well as product involvement related metrics to represent the ties.

For several of the WOM experiences described, disseminators suggested they would not make suggestions again to the same receiver and/or regarding the same product. Therefore in the main study we also measure future WOM. Based on these insights, we anticipate that:

*H3*: The (im)balance of the digraph associated with a WOM experience will (discourage) encourage disseminators to generate (less) more future WOM–both to the same receiver and regarding the same product.

*H4*: When the aggregate ties in a WOM digraph have higher weight, the relationship between balance and future WOM will be strengthened; unbalanced digraphs result in much less future WOM, and balanced digraphs result in much more future WOM as compared with digraphs with lower weights.

The coders also noted that the D→T tie was often challenging to code, since the disseminator's private evaluation of the product differed from what they publicly communicated (e.g. figure 2 triad 3). Of course, this is not completely atypical; people's private thoughts and public behaviors are not always consistent. We consider our private self, our public self, and other domain-specific selves in our day-to-day activities (Baumeister 1998). For example, in his gift-giving analysis, Belk incorporated the *ideal self* (1976). Based on this theory and the interview data, we refine the definition of the disseminator in the main study to be "the public self" (*D*) and incorporate a fourth node representing "the private self" (*S*) (figure 3). This allows us to interpret differences between when the disseminator tells the truth (D→T and S→T are consistent) vs. when they do not (D→T and S→T are inconsistent) regarding their true or private opinion of the product.

The examples described also highlight the significance of tie valence definitions. The D→R relationships between the girl and her mother (figure 2, triad 3) was strong and positive according to our "positive affect (like)" definition, resulting in unbalanced. However, if the D→R tie was defined in terms of perceived similarity (particularly in product preferences/experience) the D→R tie could be negative, and the triad therefore balanced. In the main study, we also measure S→R similarity and explore the implications of incorporating this definition.

## MAIN STUDY

*Sample and General Procedure*. Members of an independent online U.S. research panel were emailed an invitation to participate. 498 participants completed the study and received points redeemable from the research firm for items such as CDs and DVDs. The final sample was 51.5% female and all were aged eighteen to 65 years, with 31.3% aged 25–34.

Participants were emailed a link to the experiment website and given a 72-hour window in which to complete the experiment. The study consisted of three main stages; the first was to recall personal WOM experiences, the second was to answer questions regarding randomly generated hypothetical WOM experiences, and the last stage was general demographic and other questions.

*Measures-Recalled WOM Experiences*. Participants were first asked to recall a real WOM experience with a particular person about a specific television show, restaurant, movie, book, or retail store.

**FIGURE 3**
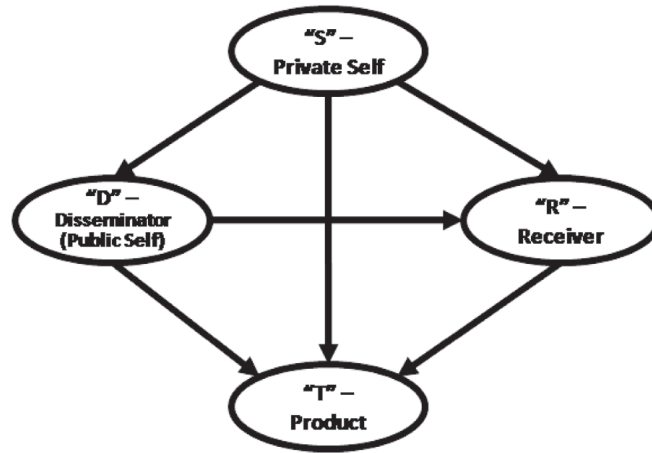


The survey was programmed such that the product, category and receiver's name were automatically threaded into the relevant questions on subsequent screens. Participants were first asked to indicate the timing of the conversation, then proceeded to questions regarding each of the six network ties, all of which were posed in the form of 7-point scales. The ties between the consumer nodes (i.e., "S," "D," and "R") were derived from the sum of two questions: "dislike/like" and "not enjoy/enjoy spending time together." The weight measures for all ties were comprised of a sum of two 7-point scale questions with the anchors of "important/unimportant" and "means a lot/means nothing."

The S→R tie was defined as "how the disseminator privately and truly feels about the receiver." S→R strength or closeness was measured in terms of "am not/am very close" and "we do/do not provide emotional support to each other." S→R similarity was measured via category specific preferences and knowledge or experience–both anchored by "very different/similar." The S→D tie was defined as participants' private/true feelings regarding their public WOM behavior. Two questions accounted for the S→D valence measure, anchored by "did/did not do the right thing" and "glad/not glad about what I said." The S→T tie was similarly defined as the disseminator's private and true feelings about the product. Valence was operationalized in terms of "dislike/like" and "least/most favorite." The D→R and D→T ties were defined as the public relationships and proclamations respectively. As such, the measures for these ties were similar to those of S→R and S→T, except instead of the "private and true" opinions or judgments, *public perceptions and messages* were considered. For all tie measures with the exception of R→T, participants were asked to consider their opinions at the time that the WOM communication occurred. This was important, since as stated it is possible that their opinions or judgments could change following the experience based on the receivers' feedback or based on subsequent experiences. The R→T valence was defined as the disseminator's perception of the receiver's product judgment and measured in terms of "liked/disliked" and "terrible/great." Participants were asked two 7-point scale questions regarding their general satisfaction with the experience (including "dissatisfied/satisfied" and "regret/am glad"). Last, participants answered four 7-point scale questions regarding "future WOM," including actual and anticipated WOM to the same receiver and actual and anticipated WOM regarding the same product.

Participants then repeated the same procedure, but this time they were prompted to think of a WOM experience regarding a product in one of the other product categories and a product with which they were

not satisfied. These two criteria were added in an attempt to maximize variance.

*Measures–Hypothetical WOM Experiences.* Following the recalled experiences, participants were presented with hypothetical scenarios that included details associated with the simple (D-R-T) WOM triad and where the D→R tie was always positive (i.e., communication to a friend). In the first part of the scenario, the disseminator's judgment of a product (D→T) in one of the five categories (movie, store, restaurant, book or TV show) was randomly manipulated to be positive, neutral or negative. Participants were then asked to indicate how likely they would be to bring up this product in conversation with a friend (7-point scale "not very likely / very likely"). The scenario continued with positive or negative feedback from the friend (R→T). Participants were then asked to indicate their satisfaction with the experience as well as their future WOM intentions (both regarding the same product and to the same receiver).

*Analyses.* The WOM digraphs generated from the recalled WOM experiences contain five semi-cycles or semi-paths (three or more nodes connected by ties) where all nodes are distinct and the starting and ending node are the same (Wasserman & Faust 1999). Specifically, there are five semi-cycles: four of length three (i.e., with three ties: D-S-T-D; S-R-T-S; D-S-R-D; and D-R-T-D) and one of length four (i.e., with four ties: D-S-R-T-D). To determine whether the digraphs are balanced, the balance associated with each of the five semi-cycles contained in the digraphs is considered based on transitivity. To evaluate relative balance across digraphs, Wasserman and Faust (1999) suggest a "cycle index for balance," a continuous measure that ranges from zero (completely imbalanced) to one (completely balanced). This index is calculated by dividing the number of positive semi-cycles in the digraph by the total number of semi-cycles, where shorter semi-cycles have higher weights because they represent more direct reasoning:

$$Balance\ Ratio = \frac{\sum 1/L * b_L}{\sum 1/L * t_L}$$

$L$   is the length of a semi-cycle
$b_L$   is the number of *balanced* semi-cycles of length $L$
$t_L$   is the *total* number of semi-cycles of length $L$
$1/L$  can be any monotonically decreasing function of $L$

In this case, the count of the four semi-cycles of L=3 and the one of L=4 that are balanced ($b_L$) is divided by the total number of semi-

cycles of each length ($t_L$). In advance of gathering data, a thorough analysis of the possible tie configurations was conducted. Based on the six ties, which can be positive or negative, there are a total of 64 ($2^6$) possible configurations. The ten conceivable configuration types are based on the combinations of balanced semi-cycles, of which only five are possible or compatible for this digraph. Given the configuration likelihoods and respective balance ratios, the average expected balance ratio is .503, which we use as the benchmark for hypothesis 1.

## Results and Discussion

Tie valences did not vary across category, so the category variable was collapsed for all analyses. The valences across ties range from $M_{R\rightarrow T}$=2.079 to $M_{S\rightarrow D}$=6.555. Note that the mean valences for S→D and S→R are significantly higher than all other ties ($p<.05$) and R→T is significantly lower than all others ($p<.05$). When valence is operationalized as similarity for S→R, the mean is not significantly different vs. when it is operationalized as affect ($M_{S\rightarrow R\ affect}$=6.438, $M_{S\rightarrow R\ similar}$=5.652, $r$=0.365, $p<.001$). In other words, while it appears that directionally disseminators report slightly higher affect than similarity with the receivers, there are very few recalled WOM episodes with high S→R affect and low similarity or vice versa.

The disseminator's private vs. public relationship with the receiver is not significantly different in terms of valence ($M_{S\rightarrow R}$=6.438 vs. $M_{D\rightarrow R}$=6.289, diff NS). However, the private relationship is more important ($M_{S\rightarrow R}$=6.187 vs. $M_{D\rightarrow R}$=4.388, diff $p<.001$) as compared to the public relationship. Here, we see that consumers may seem to recall WOM mostly to those with whom they have positive relationships—both privately and publicly—and that they value their private assessments more so than their public assessments. Separately, although the disseminators' evaluations of products is about equal when comparing private vs. public assessments, ($M_{S\rightarrow T}$=4.834 vs. $M_{D\rightarrow T}$=4.925, diff NS), once again disseminators value their public opinions as being more important (weights: $M_{S\rightarrow T}$=3.892, $M_{D\rightarrow T}$=2.986, $p<.05$).

Since half of the 996 recalled experiences in this study were prompted to be regarding products that the disseminator does *not* like, the balance and satisfaction measures in table 2 are presented in aggregate and separately for digraphs with positive S→T ties and with negative S→T ties. Note that the balance ratio is significantly higher when the S→T tie is positive vs. when it is negative ($BalRatio_{S\rightarrow T\ pos}$=.930, $BalRatio_{S\rightarrow T\ neg}$=.750, $p<.001$) as is the satisfaction measure ($Sat_{S\rightarrow T\ pos}$=6.390, $Sat_{S\rightarrow T\ neg}$=5.960, $p<.001$). This pattern is supported for the hypothetical WOM scenario triads, where measured satisfaction is higher when D→T is positive vs. when it is negative ($Sat_{D\rightarrow T\ pos}$=5.693, $Sat_{D\rightarrow T\ neg}$=5.292, diff $p$=.001). When the D→T tie is neutral, mean satisfaction with the WOM experience ($Sat_{D\rightarrow T\ neutral}$=5.199) is significantly lower than when it is positive ($p<.001$), but only directionally lower than when it is negative (diff NS). This makes sense, since WOM regarding neutral products may be less-newsworthy. Note at the bottom of table 2 that the propensity to generate WOM regarding positive, neutral and negative products for the hypothetical experiences is also non-linear ($Talk_{D\rightarrow T\ pos}$=6.08, $Talk_{D\rightarrow T\ neutral}$=3.77, $Talk_{D\rightarrow T\ neg}$=5.33). Positively and negatively evaluated products are talked about more than neutral products ($p's<.01$).

*Hypothesis 1: Proportion of Balanced Digraphs.* The proportion of balanced triads ($BalProp$=.787, see table 2) is significantly greater than would be expected if the triads were generated based on chance alone ($p<.001$). After incorporating the private self, the balance ratio of .852 is also significantly greater than .503 ($p<.001$). Replacing the S→R tie from affect to similarity does not impact the

balance ratio ($BalRatio_{affect}$=.852, $BalRatio_{similar}$=.835, $r$=.854, $p<.001$). The recency of the WOM experiences does not affect the mean balance ratio, which ranged from .773 to .869 (NS). Thus the first hypothesis is supported in both studies and across all permutations of the balance calculation. Furthermore, although we cannot directly compare the four-node balance ratio vs. the three-node balance proportion, the fact that the four-node ratio is significantly greater than the three-node proportion ($BalRatio$=.852, $BalProp$=.660, diff $p<.001$) suggests the significance of the private self in WOM communication.

*Hypothesis 2: Balance and Satisfaction.* The balance-satisfaction correlation was significant with S→R defined as affect or similarity and for the hypothetical scenarios (range from $r$=.170 to .228, all $p's<.001$). We therefore conclude consumers are more satisfied with balanced WOM experiences.

*Hypothesis 3: Balance and Future WOM.* The correlation between balance and each of the future WOM measures indicates a significant relationship ($r$=.078 to .196, all $p's<.05$, see table 3).

We also conducted post-hoc exploratory regression analyses examining future WOM based on time, the valences of each of the ties and the balance ratio. The six tie valence measures were introduced as factors to understand how these relationships and judgments of people and products affect WOM propensities independent of their cumulatively derived balance, which was also added as a separate factor. Results indicate several important patterns. First, time lapsed since the WOM episode occurred was incorporated as a covariate and was significant for the actual (but not the anticipated) future WOM measures, since the more time that has elapsed since the WOM episode, the greater the chance that the disseminator engaged in other WOM conversations (see table 3). For anticipated future WOM, the coefficient for time is negative, which may due to a decay effect. In terms of the main factors, the balance ratio is a significant predictor of actual and anticipated future WOM regarding the same product ($coeff_{actual}$=+.661, $coeff_{ant}$=+.609, both $p's<.05$), but it is not for WOM to the same receiver. It seems that the cognitive balance associated with a WOM experience may help predict future WOM to others regarding the same product, but cognitive balance does not play a role in predicting future WOM to the same receiver. *What does predict future WOM to the same receiver?* Here we highlight an important insight: future WOM to the same receiver is best predicted by S→R and D→R valence, where three of the four coefficients are positive and significant (S→R: $coeff_{actual}$=+.207, $coeff_{ant}$=+.241, both $p's<.001$; D→R: $coeff_{actual}$=+.086 (NS), $coeff_{ant}$=+.377, $p<.001$). It makes sense that consumers may talk more in the future with receivers with whom they perceive positive relationships, and particularly when this assessment of the relationship is private and true. Next, while the disseminator's relationship with the receiver may best predict future WOM to that same receiver, the disseminator's private assessment of the product is a key predictor of anticipated future WOM regarding that same product (S→T: $coeff_{ant}$=+.230 $p<.05$). Note that the coefficients for the D→T tie are not significant for any of the dependent variables. Apparently it matters less what people publicly say and more what they truly and privately think about the product. Even after controlling for the effects of time, feedback from the receiver regarding the product (R→T) is not a significant predictor of any of the future WOM measures. Last, we highlight that the disseminator's private feelings about the WOM experience (i.e. the S→D tie valence) is a positive and significant predictor of anticipated future WOM to the same receiver and regarding the same product ($coeff_{same\ R}$=+.176, $coeff_{same\ T}$=+.366, both $p's<.001$).

Examining future WOM based on the hypothetical scenarios (see table 3), the first notable pattern is no significant difference between anticipated future WOM to the same receiver, regardless

## TABLE 2
### Main Study–Descriptive Statistics

| *TIES* (recalled) | n=996 | S-R | D-R | S-T | D-T | R-T | S-D |
|---|---|---|---|---|---|---|---|
| **Valence (affect)** | Mean | 6.438 | 6.289 | 4.834 | 4.925 | 2.079 | 6.555 |
| | SD | .986 | 1.086 | 2.177 | 2.079 | 2.014 | .784 |
| | Range | 1.5-7 | 1.5-7 | 1-7 | 1-7 | 1-7 | 1-7 |
| **Valence (similarity)** | Mean | 5.652 | NA | NA | NA | NA | NA |
| | SD | 1.111 | NA | NA | NA | NA | NA |
| | Range | 1-7 | NA | NA | NA | NA | NA |
| **Weight** | Mean | 6.187 | 4.388 | 3.892 | 2.986 | 4.611 | 4.563 |
| | SD | 1.370 | 2.331 | 2.141 | 2.003 | 1.934 | 2.171 |
| | Max | 7 | 7 | 7 | 7 | 7 | 7 |
| **Strength** | Mean | 5.774 | NA | NA | NA | NA | NA |
| | SD | 1.713 | NA | NA | NA | NA | NA |
| | Range | 1-7 | NA | NA | NA | NA | NA |

| *OTHER MEASURES* | | All | | S-T pos | | S-T neg | |
|---|---|---|---|---|---|---|---|
| Balance | | | | | | | |
| **Proportion-Recalled** (D-R-T 3 nodes) | Mean | .787 | (N=717) | NA | NA | NA | NA |
| | SD | .410 | | NA | NA | NA | NA |
| | Range | 0-1 | | NA | NA | NA | NA |
| **Ratio–Recalled** (all 4 nodes) | Mean | .852 | (N=717) | .916 | (N=487) | .717 | (N=230) |
| | SD | .250 | | .197 | | .292 | |
| | Range | .16-1 | | .16-1 | | .16-1 | |
| Satisfaction | | | | | | | |
| **Recalled experiences** | Mean | 6.193 | (N=996) | 6.311 | (N=645) | 5.976 | (N=351) |
| | SD | 1.002 | | .866 | | 1.183 | |
| | Range | 2-7 | | 3-7 | | 2-7 | |

| | | All | | D-T pos | | D-T neg | | D-T neutral | |
|---|---|---|---|---|---|---|---|---|---|
| **Hypothetical Experiences** | Mean | 5.389 | (N=844) | 5.693 | (N=321) | 5.486 | (N=330) | 5.199 | (N=345) |
| | SD | 1.558 | | 1.515 | | 1.534 | | 1.471 | |
| | Range | 1-7 | | 1-7 | | 1-7 | | 1-7 | |
| WOM Propensity | | | | | | | | | |
| **Hypothetical Experiences** | Mean | 5.036 | (N=844) | 6.084 | (N=321) | 5.404 | (N=330) | 3.777 | (N=345) |
| | SD | 2.027 | | 1.523 | | 1.938 | | 1.956 | |
| | Range | 1-7 | | 1-7 | | 1-7 | | 1-7 | |

of balance or various tie configurations (means range from 3.209 to 3.333 out of 4, all diff's NS). For these hypothetical scenarios, the D→R tie was positive across all conditions—it is logical that regardless of this specific WOM experience, future WOM to the same friend may be relatively constant. There were, however, differences across conditions in terms of future WOM regarding the same product. Consistent with results reported above, participants indicate higher future WOM to others regarding the same product when the WOM digraph is balanced vs. when it is imbalanced ($M_{bal}$=3.313, $M_{imbal}$=3.186, diff $p$<.10). These results provide

evidence regarding the relationship between balance and future WOM, while minimizing issues associated with recall biases.

*Hypothesis 4: Tie Weights and Future WOM.* A split sample analysis was conducted to compare the correlations of the balance ratio with future WOM on diagraphs with high and low aggregate weights, with the aggregate weight represented by the sum of the six ties (range 6-42, *median*=21.5). Consistent with H4, the correlation between balance and future WOM is significant for the high aggregate weight digraphs, but not for the low aggregate WOM digraphs across all four future WOM measures. Similar to the

**TABLE 3**
Main Study–Future Word-of-Mouth

| * p<.05 | | To Same Receiver | | Re: Same Product | |
| --- | --- | --- | --- | --- | --- |
| ** p<.001 | | **Actual** | **Anticipated** | **Actual** | **Anticipated** |
| **H3: BALANCE & FUTURE WOM** | | | | | |
| Correlation Coefficients | | **\*.078** | **\*\*.171** | **\*\*.138** | **\*\*.192** |
| **FUTURE WOM** (regression coeffs, recalled experiences) | | | | | |
| time | coeff | **\*\*.161** | -.046 | **\*\*.292** | -.045 |
| SE | | .045 | .041 | .084 | .071 |
| S-R | coeff | **\*\*.207** | **\*\*.241** | -.074 | -.179 |
| SE | | .064 | .059 | .120 | .102 |
| D-R | coeff | .086 | **\*\*.377** | .173 | .115 |
| SE | | .057 | .052 | .107 | .091 |
| S-T | coeff | -.022 | -.005 | .097 | **\*.230** |
| SE | | .056 | .051 | .104 | .089 |
| D-T | coeff | .004 | -.029 | -.024 | -.082 |
| SE | | .061 | .055 | .113 | .096 |
| R-T | coeff | .011 | .018 | .053 | .012 |
| SE | | .025 | .023 | .047 | .040 |
| S-D | coeff | .062 | **\*\*.176** | .104 | **\*\*.366** |
| SE | | .055 | .050 | .102 | .087 |
| balance | coeff | .051 | .038 | **\*.661** | **\*.609** |
| ratio | SE | .176 | .160 | .328 | .279 |
| **H4: AGGREGATE WEIGHT, BALANCE & FUT WOM** (correlation coeffs) | | | | | |
| High Weight Only | (p<.10) | **.068** | **\*\*.151** | **\*.082** | **\*\*.183** |
| Low Weight Only | | .107 | .017 | .121 | .017 |
| **FUTURE WOM** (mean out of 4 (SD), hypothetical experiences, note D-R is positive for all) | | | | | |
| Balanced Triads (N=323) | | 3.272 (.655) | | 3.313 (.712) | |
| Imbalanced Triads (N=328) | | 3.314 (.722) | | 3.186 (.770) | |

insights derived in the preliminary study, it is not surprising that the effect of the balance associated with trivial WOM experiences is much less predictive of future WOM.

## GENERAL DISCUSSION

In this research, the theories and empirical methods associated with cognitive balance (Heider 1946) were leveraged to examine the significance and implications of balance on consumers' WOM behaviors. Specifically, consumers' individual, micro-level cognitive networks or "signed digraphs" containing social relationship and product perceptions and representing their WOM experiences were analyzed. Importantly, we contribute to our understanding of WOM by bridging the micro and macro perspectives; the link between the

balance associated with these consumers' cognitive networks and future inter-consumer communication was established.

In a preliminary study employing in-depth interviews to elicit participants' recalled WOM experiences, results indicate that WOM experiences are likely to be balanced and that consumers are more satisfied when this is the case. In the main study, WOM cognitive networks comprised of four-nodes (the *public self* (D) the *private self* (S), the *receiver* (R) and the *product* (T)) based on recalled and hypothetical WOM experiences were examined. Results indicate a significant correlation between balance and future WOM and that various tie measures associated with WOM experiences may moderate this effect. Specifically, future WOM to the same receiver is best predicted by the disseminator's assessment of their relationship with

the receiver, but cognitive balance is not a significant predictor of future WOM to the same receiver when tie valences are incorporated. The balance ratio associated with a WOM experience does help predict future WOM regarding the same product, as does the disseminator's true assessment of the product. Furthermore, our results also indicate that WOM digraphs with higher aggregate weights are more predictive of future WOM.

Overall, the present research supports the premise that consumers seek and are more likely to *recall* balanced WOM experiences. However, based on our methods and results we cannot assert that consumers succeed in their apparent goal of *experiencing* balance. Although consumers may distort their recollections of experiences to be more cognitively balanced than they actually were (Freeman 1992), in this case, perception may be reality. It is the recollection of experiences and their associated balance that affects future behavior (Gardial et al. 1994), including, presumably, future WOM propensities.

While consumer researchers have previously examined the relevance and implications of balance and consistency in other important consumer contexts, this research represents the first time that balance theory has been systematically applied to WOM. Although we employed the most basic theories of balance and transitivity as a means to explore the viability of their application to this phenomenon, we demonstrated numerous nuanced effects and suggest that other balance-related theories should now be explored. For example, based on cognitive dissonance (Festinger 1957), it would be worthwhile to examine whether and under what conditions people seek to validate their product evaluations through WOM, and whether they seek to reinforce opinions that are consistent with their reputation and/or their publicly stated convictions via WOM. Since Festinger offers that people reconcile dissonance by changing the valence or significance of their cognitions, it would be interesting to understand under what conditions consumers change their opinions of people and/or products vs. when they change the relative importance of their relationship with the person or the product. Considering the proliferation of consumer opinion via the internet, it would also be worthwhile to examine the implications of the relative balance associated with consumers' online product postings and ratings when they are either anonymous vs. when they are not—does the private self have any effect in an anonymous setting? Separately, an examination of consumers' varied proclivities to accept inconsistency may provide useful insight. Although previous research demonstrates consumers' varied tolerances of duality (Williams and Aaker 2002), we offer that WOM-related trait factors such as opinion leadership or expertise may also be related to consumers' relative acceptance of inconsistency.

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# How Third-party Organization (TPO) Endorsement Advertising Works: Do Consumers Perceive TPO Endorsement As Signals of Quality?

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## ABSTRACT

Third-party organization (TPO) endorsement ads have grown increasingly popular in recent years. This study examines conditions under which TPO endorsements in advertising function as signals of quality within the framework of signaling theory. Specifically, the study addresses questions such as: Do consumers perceive TPO endorsements in advertising as signals of quality? Can low-quality firms contain TPO endorsements in advertising to signal high quality? One experiment is conducted with a student sample within the context of automobile ads. The results show TPO endorsements in advertising are signals of high quality in a separating equilibrium condition where the TPO is perceived as honest and endorses few high quality products. On the other hand, TPO endorsements in advertising are not signals of quality in a pooling equilibrium condition, where the TPO is perceived as dishonest and endorses many low quality as well as high quality products. Therefore, the results of this study are consistent with the predictions of signaling theory.

## INTRODUCTION

Third-party organization (TPO) endorsement ads have grown increasingly popular in recent years. For example, in an August 2005 issue of *Time* magazine, Chevrolet advertised its recognition as J.D. Power's choice of being the "Highest ranked full-size SUV in initial quality". A month later, a *Time* ad for the Ford F-150 boasted its recognition as J.D. Power's "Highest ranked light-duty full size Pick-up in initial quality". In addition to the automobile industry, the service industry also frequently uses TPO endorsement advertising as a marketing strategy. For instance, T-mobile announced its recognition as J.D. Power's "Highest in consumer satisfaction with business wireless service" in its recent *BusinessWeek* magazine advertisement.

The influence of TPO endorsements on sales of the endorsed products has been mentioned in academic literature and marketing reports (Chen and Xie 2005). The ability of TPO endorsements to increase sales of endorsed products may lead companies to believe that including TPO endorsements in their advertisements is an optimal marketing strategy. However, companies have to pay the TPO for using its endorsement for marketing purposes. By placing a TPO endorsement in the advertisement, companies may enhance their credibility of ad claims because the included information comes from an independent source. Further, TPO endorsement ads highlight the quality of the advertised product and distinguish the endorsed product from competitors'. At the same time, the unique characteristics of TPO endorsements, such as expertise and trustworthiness, may reduce consumers' uncertainty in a purchase situation (Dean and Biswas 2001).

Although many companies are now using TPO endorsement advertising as a marketing strategy, few studies have focused on this area. Previous studies investigated whether ads containing a TPO endorsement are more effective than ads containing no such endorsements in influencing consumers' attitudes and purchase intentions (Dean 1999; Peterson, Wilson and Brown 1992). Dean and Biswas (2001) further compared ad effectiveness between TPO ads, celebrity endorsement ads and non-endorsement ads.

Dean and Biswas (2001) proposed that TPO endorsements might function as signals of quality. However, no empirical studies have been done to investigate this issue. Therefore, it appears to be a gap in the knowledge about the signaling function of TPO endorsements. In order to fill this gap, this study examines whether TPO endorsements in advertising may function as signals of quality within the framework of signaling theory. Further, this research will explore conditions that firms receive benefits from using TPO endorsements in ads if TPO endorsements function as signals of quality.

## THIRD-PARTY ORGANIZATION (TPO) ENDORSEMENT

The TPO endorsement is defined as an advertisement that contains a positive evaluation of the advertised product or service that comes from an identified third-party organization (Dean and Biswas 2001). A typical TPO endorsement format is Chevy Suburban print ad appearing in an August 2005 issue of *Time* magazine. This ad included a conspicuous seal of approval from J.D.Power and Associates. The text of this ad explained the award, "Three years in a row, CHEVY SUBURBAN has been the "Highest ranked full-size SUV in initial quality" by J.D.Power and Associates ,? J.D.Power 2005 study based on a total of 62,251 consumer responses indicating owner reported problems during the first 90 days of ownership". In this example, the seal of approval is a fixed J.D.Power award logo, and the name of the award is "Highest ranked full-size SUV in initial quality", and the name of the TPO is J.D.Power and Associates. There are various magazines or consumer organizations, including nonprofit and for-profit, that have been serving as TPOs.

Few studies examined the effect of TPO endorsements on consumers' perceptions of endorsed products or services. Peterson, Wilson and Brown (1992) investigated whether print ads containing a TPO endorsement were more effective than ads not containing an endorsement in influencing consumers' attitudes and purchase intentions. This study revealed no TPO endorsement effects. However, Dean (1999) found TPO endorsement effects on consumer perceived product quality, uniqueness, and manufacturer esteem and concluded that TPO endorsements might function as an advertising cue for enhancing consumers' perceptions of endorsed products. Dean and Biswas (2001) further compared ads containing a TPO endorsement to ads containing a celebrity endorsement and ads not containing an endorsement in terms of the ability to affect perceived product quality, attitude toward the manufacturer, purchase risk, and information value of the ads. Ads containing a TPO endorsement were found to be more effective than ads containing a celebrity endorsement and ads not containing an endorsement in enhancing respondent perceptions of product quality. Although Dean and Biswas (2001) proposed that TPO endorsements might function as signals of quality, they didn't further investigate TPO endorsements within the framework of signaling theory. Thus, this

study will address TPO endorsements as potential signals of quality within the framework of signaling theory.

## SIGNALING THEORY

Information asymmetry may exist between two game parties, sellers and buyers, in a transaction (Boulding and Kirmani 1993; Kirmani and Rao 2000). Sellers know the true quality of their products, while buyers may not know (Kirmani and Rao 2000). In addition, the game that plays between sellers and buyers contains both cooperative and competitive elements (Dacis 1970). The competitive element of this game leads buyers to ignore direct claims from sellers, e.g. the content of advertisements. However, buyers and sellers can't get a transaction in the case of incomplete information. Therefore, buyers need additional credible information to predict or evaluate the quality of products. The possible route for this situation is to send signals from sellers to buyers.

Consider that a market has only two types of sellers, high-quality sellers and low-quality sellers. Both are rational sellers and capable to use marketing strategies to communicate with buyers. High-quality sellers choose the strategy that low-quality sellers can't choose because this strategy is only profitable for high-quality sellers and unprofitable for low-quality sellers. When high-quality sellers and low-quality sellers choose different strategies, high-quality sellers actually send signals to buyers. Use of signals leads to a separating equilibrium, where high-quality sellers receive benefits from sending signals and low-quality sellers receive benefits from not sending signals. In a separating equilibrium, buyers can distinguish high-quality sellers from low-quality sellers. In contrast, when high-quality sellers and low-quality sellers choose the same strategy, a pooling equilibrium occurs. In this circumstance, buyers cannot distinguish between high-quality sellers and low-quality sellers. Therefore, when a separate equilibrium occurs, a firm's strategy is a signal; when a pooling equilibrium occurs, the strategy is not a signal.

Marketing literature has investigated marketing strategies such as advertising (Kirmani and Wright 1989; Kirmani 1990; Kirmani 1997), brand name (Erdem and Swait 1998; Rao, Qu and Ruekert 1999), price (Gerstner 1985; Tellis and Wernerfelt 1987) and warranty (Wiener 1985; Kelley 1988; Boulding and Kirmani 1993) as signals. Kirmani and Rao (2000) developed a typology to classify signals. In this study, we focus on a TPO endorsement, one potential signal that was neglected by most of marketing researchers. Thus, if a TPO endorsement may function as signals in advertising, it deserves to join the family of signals.

## TPO ENDORSEMENT IN ADVERTISING AS A SIGNAL

Although the situation for TPO endorsements is much more complicated because that scenario involves an independent party, the behaviors of TPO endorsements still should be consistent with signaling theory predication if TPO endorsements function as signals. Thus, in the case of a false signal, it is expected that both low-quality firms and the TPO would suffer. The firms may directly lose money on wrong advertising campaigns that try to boost recognition as an award receiver because consumers may not perceive the TPO endorsement in advertising as a quality signal. Moreover, in the long term, consumers who buy products from low-quality firms may not trust the firms any more than before even though those low-quality firms truly improve their product quality and actually become high-quality firms. TPOs also suffer more for endorsing low-quality firms because they may lose their reputation, perhaps the most valuable asset that the TPOs possess. Meanwhile, a negative word-of-mouth effect is likely to occur and results in more people to doubt the TPO. When the TPO loses the trust from

consumers, the TPO will lose its clients because the TPO endorsement cannot help firms increase sales. Thus, if the TPO's main revenue comes from the firms, the TPO lose its market.

On the other hand, as predicted by signaling theory, TPO endorsements in advertising can signal high quality when TPOs endorse high-quality firms. In this circumstance, both high-quality firms and the TPO receive benefits. The firms will directly inform more consumers about their high quality and enhance the perceptions of their products and increase sales. Compared to using celebrity endorsements that normally cost a huge amount of money, TPO endorsements are a cheaper way to produce a similar result, but more effective than celebrity endorsements in terms of influencing consumers' perceptions of product quality. In addition, high-quality firms distinguish themselves from low-quality firms by using this strategy. Thus, a separating equilibrium should occur, in which quality sensitive consumers are capable to find the high quality firms. TPOs earn reputation as well as revenues by endorsing high quality firms. Consumers will then verify the TPO as a trustworthy party after using the endorsed products. Positive word-of-mouth may further help the TPO to establish a solid positive image in the society. This reputation gives the TPO more power to influence firms in the marketplace, resulting in a situation that more high-quality firms are willing to pay more for TPO endorsements.

Consider that there are two types of TPOs, the honest TPO who always endorses high quality firms and the dishonest TPO who endorses any firms who will pay for the TPO endorsement. As noted previously, when the honest TPO endorses high quality firms, a separating equilibrium occurs, while when the dishonest TPO endorses high quality firms as well as low quality firms, a pooling equilibrium occurs. We propose that in the case of a separating equilibrium, TPO endorsements will be signals of high quality; and in the case of a pooling equilibrium, TPO endorsements will not be signals of high quality.

### Separating Equilibrium

In a separating equilibrium, consumers tend to trust the TPO endorsement and perceive the TPO endorsement as a signal of high quality. Therefore, consumers will enhance the perceptions of endorsed products. In addition, the TPO endorsement can help uncertain consumers distinguish between high quality firms and low quality firms. Thus,

H1: In a separating equilibrium, respondents who are exposed to an advertisement that contains a TPO endorsement show higher scores on measures of (a) perceived quality, (b) manufacture credibility, (c) purchase confidence, (d) purchase intention, and (e) positive word-of mouth intention than those who are exposed to the same advertisement that does not contain a TPO endorsement.

### Pooling Equilibrium

Consumers have two possible reactions to the TPO endorsement in a pooling equilibrium. Inexperienced consumers may realize that the TPO endorsement is meaningless. They are likely to ignore the TPO endorsement, and thus the TPO endorsement will not influence consumers. Experienced consumers who have basic knowledge about the market may be suspicious of the trustworthiness of the TPO. Since consumers will not trust the TPO, consumers may think that the firms are dishonest firms who are trying to use the TPO endorsement simply to seduce purchases. Therefore,

H2: In a pooling equilibrium, respondents who are exposed to an advertisement that contains a TPO endorsement show lower or equal scores on measures of (a) perceived quality, (b)

manufacture credibility, (c) purchase confidence, (d) purchase intention, and (e) positive word-of mouth intention than those who are exposed to the same advertisement that does not contain a TPO endorsement.

Finally, the first two hypotheses suggest that consumers' perceptions of endorsed products with the presence of TPO endorsements in advertising may differ significantly in a separating equilibrium condition and in a pooling equilibrium condition. Consumers may generate positive evaluations for endorsed products and manufacturers when high quality firms show TPO endorsements in advertising in a separating equilibrium; while consumers may generate negative evaluations to endorsed products and manufacturers when firms show TPO endorsements in advertising in a pooling equilibrium. Therefore,

H3: Respondents who are exposed to an advertisement containing a TPO endorsement show higher scores on measures of (a) perceived quality, (b) manufacture credibility, (c) purchase confidence, (d) purchase intention, and (e) positive word-of mouth intention in a separating equilibrium than those who are exposed to an advertisement containing the same TPO endorsement in a pooling equilibrium.

## METHOD

The study investigates how TPO endorsement ads work within the signaling theory framework. Thus, this study employed a 2 (separating equilibrium versus pooling equilibrium) x 2 (endorsement in the target ad: TPO endorsement versus no TOP endorsement) between-subject design.

### Stimuli

Automobile ads were used because automobile companies frequently use TPO endorsements in their ads. Two types of equilibrium settings were created. The most direct manipulation of a separating equilibrium setting would be to tell a group of respondents that *Consumers Digest* magazine was a very honest TPO and only endorsed few high quality brands "Automotive Best Buy" awards. This represented a separating equilibrium setting where the TPO only endorsed high quality firms. Another group of respondents could be told that *Consumers Digest* magazine was not an honest TPO and endorsed many car brands that would like to pay for using the title of "Best Buy". In such a circumstance, respondents were placed in a pooling equilibrium where the TPO endorsed high quality firms as well as low quality firms. However, such a manipulation might not be practical because consumers rarely receive this type information in the real marketplace. Thus, we decided to manipulate equilibrium settings by having respondents view six ads, preceding the target ad. Six car ads were created and included a variety of brands: Kia, Mitsubishi, Suzuki, Volkswagen, Dodge and Honda. Along with these six ads, TPO endorsement was used to manipulate the two equilibrium settings (separating and pooling). The TPO endorsement in this study was the "Automotive Best Buy" award from *Consumers Digest* magazine. Both the TPO and the seal of approval were adapted from real ads. In the separating condition, respondents view six car ads and among them, only Honda's ad contained an "Automotive Best Buy" seal from *Consumers Digest* magazine. In the pooling condition, respondents view six ads and except for Honda's ad, each of the five ads contained "Automotive Best Buy" seals from *Consumers Digest* magazine. These six brands represent four-level product classes. Kia and Dodge represent low quality brands; Mitsubishi and Suzuki represent middle quality brands; Volkswagen represents a between

high and middle quality brand; and Honda represents a high quality brand. The judgments were based on ratings from *Consumer Report*, which is believed to provide objective cars' quality information. Therefore, the condition that only Honda's ad contained the TPO endorsement was perfectly consistent with a separating equilibrium where the TPO only endorsed high quality firms. The other condition that five car ads contained the TPO endorsement was consistent with a pooling equilibrium where the TPO endorsed as many as it can, including a high quality firm (e.g., Volkswagen) as well as low quality firms (e.g., Kia and Dodge).

Further, two versions of target ads were created. The no TPO endorsement target ad contained an image of a car. The image only showed the half part of the car. There is no way for respondents to guess the brand name of the car based on the car's appearance. The target ad also included a simple slogan "Your Imagination", which was too simple to influence respondents' evaluations of the car. Notably absent was any mention of the brand, free phone number, Internet address, car dealer information, sale price, and warranties. The ad was produced by advertising professionals. The TPO endorsement target ad contained the information in the no TPO endorsement condition plus an "Automotive Best Buy" seal from *Consumers Digest* magazine. The seal was set on the center of the ad, so that respondents could easily notice it.

### Procedure

Seventy-nine undergraduate students participated in this study. Respondents were assigned randomly to one of the four conditions. They first were asked to view the six full-page size magazine car ads, either in a separating equilibrium setting or in a pooling equilibrium setting. Then the respondents were asked to view the target ad, either containing a TPO endorsement or not containing a TPO endorsement. Next, they filled out a survey booklet, which included five dependent measures as follow:

*Perceived product quality.* Perceived product quality was measured on four seven-point scales (1=strongly agree,7=strongly disagree) in response to the questions, "Compare to other automotive brands, this advertised car is a superior product"; "compare to other automotive brands, this advertised car is the best in its product class"; this advertised car would perform better than other car brands", and "from what you saw in this advertisement, what is your personal opinion regarding this car's quality?" (1=high quality, 7=low quality). Responses to these items loaded on a single factor and were averaged to form an evaluation measure ($\alpha$=.84).

*Manufacturer credibility.* Manufacturer credibility was measured by three seven-point scales: trustworthy/untrustworthy, honest/dishonest, competent/incompetent. Responses to these items loaded on a single factor and were averaged to form an evaluation measure ($\alpha$=.88).

*Purchase confidence.* Purchase confidence was measured by two seven-point scales: safe/risky, right/wrong. Responses to these items loaded on a single factor and were averaged to form an evaluation measure ($\alpha$=.83).

*Purchase intentions.* Purchase intentions were measured by a seven-point scale: "suppose you were going to purchase a car, how likely would you be to purchase the advertised car?" (1=very likely, 7=very unlikely).

*Positive word-of-mouth intentions.* Positive word of mouth intentions were measured by a seven-point scale: "suppose your friend ask your advice of the purchase of a car, how likely would you like to recommend the advertised car to your friends?" (1=very likely, 7=very unlikely).

Finally, demographic questions were administered and the respondents were debriefed.

**TABLE 1**
TREATMENT MEANS AND STANDARD DEVIATIONS FOR FIVE DEPENDENT MEASURES

| | Separating equilibrium | | Pooling equilibrium | |
| --- | --- | --- | --- | --- |
| | TPO endorsement | No TPO endorsement | TPO endorsement | No TPO endorsement |
| Perceived product quality | 4.91 (.68) | 3.80 (1.11) | 4.17 (.91 | 4.21 (1.05) |
| Manufacturer credibility | 4.98 (1.24) | 4.32 (1.08) | 3.74 (.95) | 4.28 (1.01) |
| Purchase confidence | 4.98 (1.37) | 3.88 (1.18) | 3.79 (.71) | 3.75 (1.49) |
| Purchase intention | 4.1 (1.52) | 2.7 (1.66) | 2.63 (1.61) | 2.65 (1.46) |
| Positive word-of-mouth intention | 4.05 (1.32) | 3.10 (1.52) | 2.57 (1.46) | 3.35 (1.27) |
| N | 20 | 20 | 19 | 20 |

Note.—Standard deviations are in parentheses.

## RESULTS

Data were analyzed as a 2 (TPO endorsement versus no TPO endorsement) x 2 (equilibrium: separating versus pooling) factorial design. Degrees of freedom for all evaluation and thought measures are 1 and 75 unless indicated otherwise. Treatment means for all measures are listed in Table 1, and all significant treatment effects are reported.

**Manipulation Check**

Equilibrium manipulation was checked by assessing respondents' evaluations of the TPO. Respondents were asked to rate the "Automotive Best Buy" award from Consumers Digest magazine on four seven-point scales (Trustworthy/untrustworthy, honest/dishonest, sincere/mislead, fair/unfair). Respondents exposed to a separating equilibrium evaluated the TPO more favorably than those exposed to a pooling equilibrium ($M=4.86$ vs. $M=4.28$. $F$ (1, 77)$=5.33$, $p<.03$).

**Hypotheses**

The interaction effects between endorsement and equilibrium reached or approached significance on perceived product quality ($F=7.23$, $p<.01$), manufacturer credibility ($F=6.29$, $p<.02$), purchase confidence ($F=3.67$, $p<.06$), purchase intention ($F=4.07$, $p<.05$) and positive word-of-mouth intention ($F=7.51$, $p<.01$). Figure 1-5 illustrate these effects. Follow-up examination of these effects supported our predictions.

*Hypothesis 1*. Hypothesis 1 predicted that in a separating equilibrium, an advertisement that contains a TPO endorsement would lead to higher scores on measures of perceived product quality, manufacturer credibility, purchase confidence, purchase intention and positive word-of-mouth intention. Perception of

product quality for a TPO endorsement condition was significantly higher than that for a non-endorsement condition ($M=4.91$ vs. $M=3.80$; $F=13.62$, $p<.001$). Perception of manufacturer credibility for a TPO endorsement condition was significantly higher than that for a non-endorsement condition ($M=4.98$ vs. $M=3.85$; $F=13.62$, $p<.06$). Perception of purchase confidence for a TPO endorsement condition was significantly higher than that for a non-endorsement condition ($M=4.98$ vs. $M=3.88$; $F=7.99$, $p<.006$). Purchase intention for a TPO endorsement condition was significantly higher than that for a non-endorsement condition ($M=4.10$ vs. $M=2.70$; $F=8.03$, $p<.006$). Positive word-of-mouth intention for a TPO endorsement condition was significantly higher than that for a non-endorsement condition ($M=4.05$ vs. $M=3.10$; $F=4.64$, $p<.05$). All predications were supported in hypothesis 1.

*Hypothesis 2*. Hypothesis 2 predicted that in a pooling equilibrium, an advertisement that contains a TPO endorsement would lead to lower or equal scores on measures of perceived product quality, manufacturer credibility, purchase confidence, purchase intention and positive word-of-mouth intention than would an advertisement that does not contain a TPO endorsement. Perception of product quality for a TPO endorsement condition was not different from that for a non-endorsement condition ($M=4.17$ vs. $M=4.21$; $F<1$). Perception of manufacturer credibility for a TPO endorsement condition was not different from that for a non-endorsement condition ($M=3.74$ vs. $M=4.28$; $F=4.64$, $p<.11$). Perception of purchase confidence for a TPO endorsement condition was found not different from that for a non-endorsement condition ($M=3.79$ vs. $M=3.75$; $F<1$). Purchase intention for a TPO endorsement condition was not different from that for a non-endorsement condition ($M=2.63$ vs. $M=2.65$; $F<1$). Perception of positive word-of-mouth intention for a TPO endorsement condition was margin-

**FIGURE 1**

TWO-WAY INTERACTION OF EQUILIBRIUM AND ENDORSEMENT ON PERCEIVED PRODUCT QUALITY
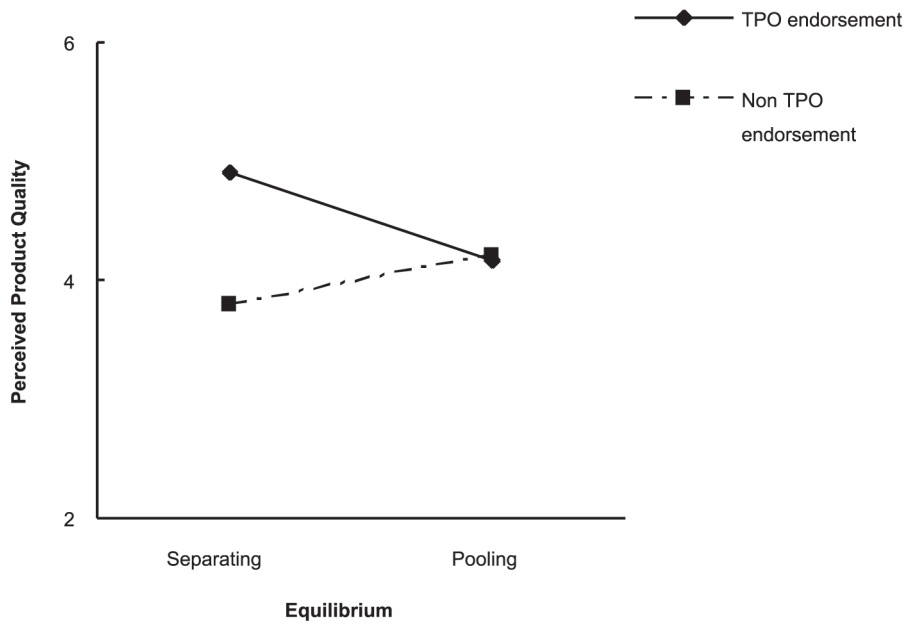


**FIGURE 2**

TWO-WAY INTERACTION OF EQUILIBRIUM AND ENDORSEMENT ON MANUFACTURER CREDIBILITY
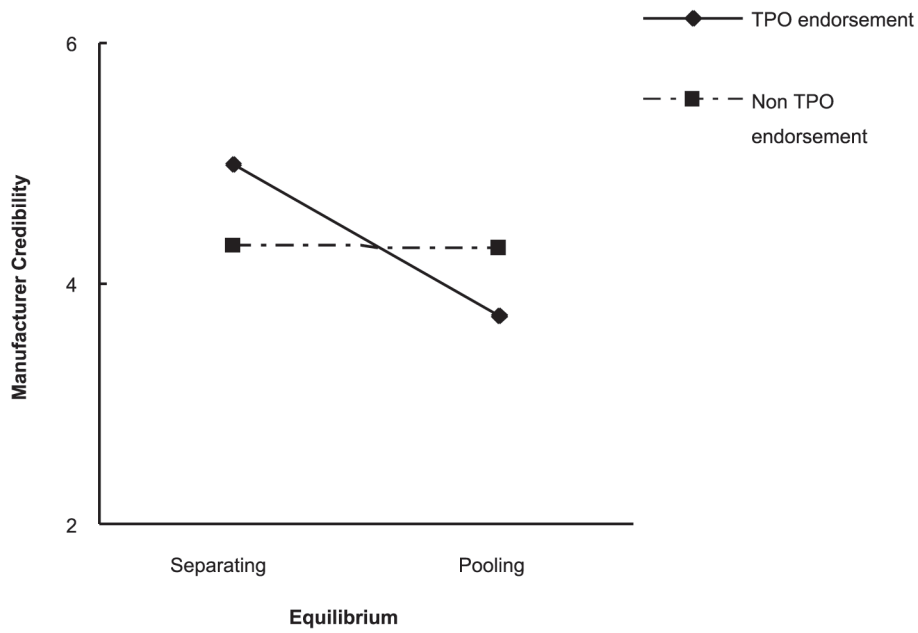
**FIGURE 3**
TWO-WAY INTERACTION OF EQUILIBRIUM AND ENDORSEMENT ON PURCHASE CONFIDENCE
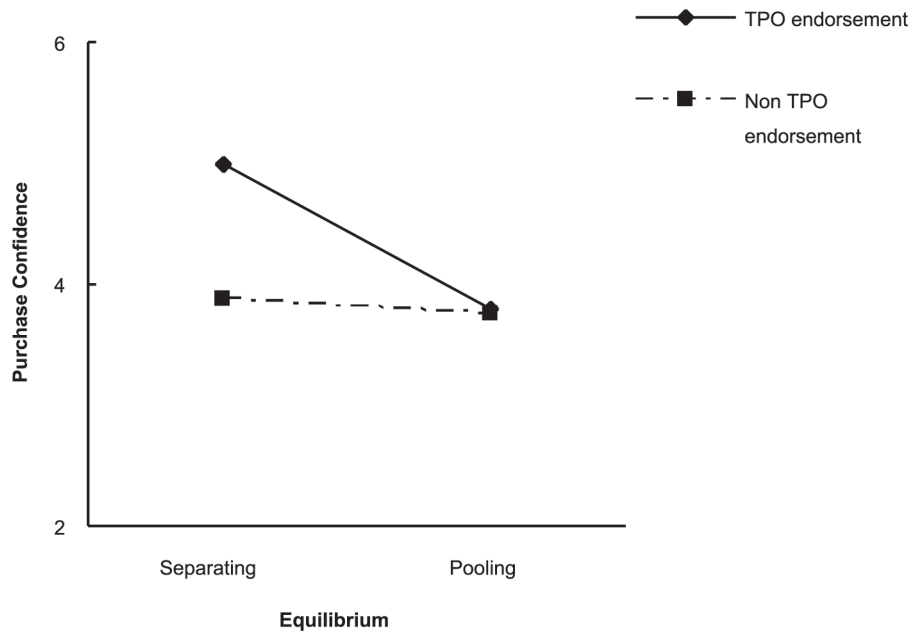


**FIGURE 4**
TWO-WAY INTERACTION OF EQUILIBRIUM AND ENDORSEMENT ON PURCHASE INTENTION
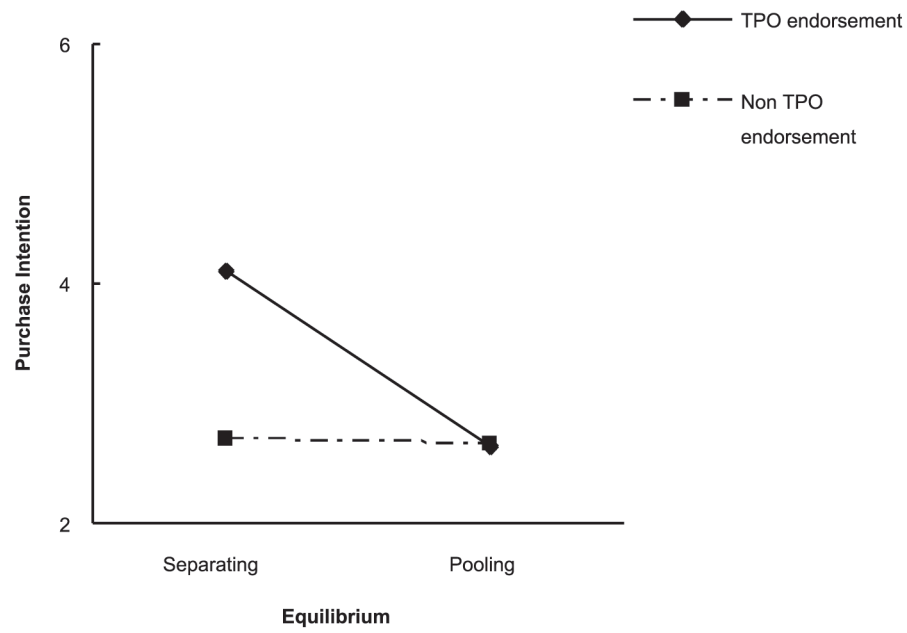
**FIGURE 5**
TWO-WAY INTERACTION OF EQUILIBRIUM AND ENDORSEMENT ON POSITIVE WORD-OF-MOUTH
INTENTION
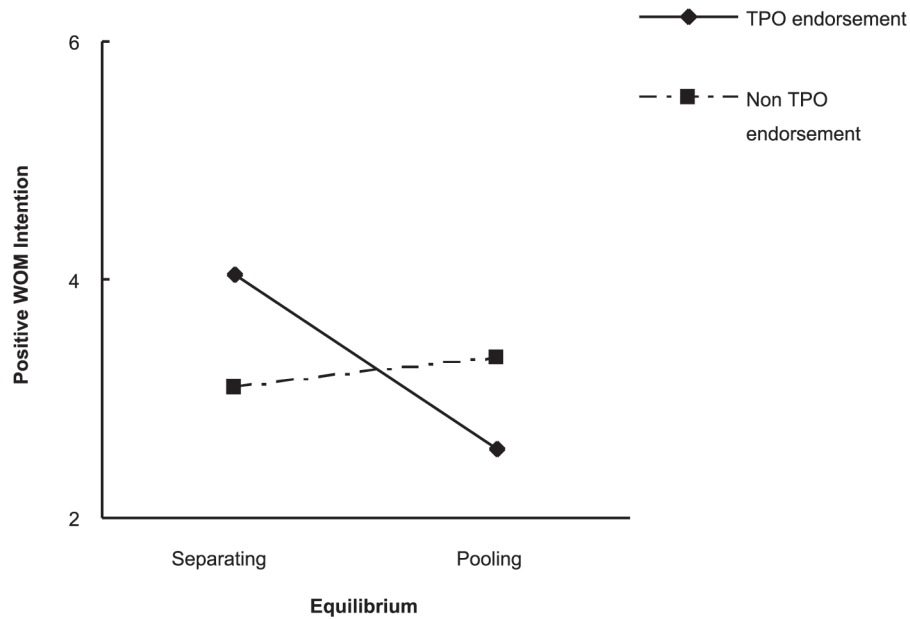


ally significantly lower than that for a non-endorsement condition ($M=2.57$ vs. $M=3.35$; $F=4.64$, $p<.08$). All planned comparisons were consistent with hypothesis 2.

*Hypothesis 3*. Hypothesis 3 predicted that, an advertisement that contains a TPO endorsement would lead to higher scores on measures of perceived product quality, manufacturer credibility, purchase confidence, purchase intention and positive word-of-mouth intention in a separating equilibrium than would an advertisement that contains the same TPO endorsement in a pooling equilibrium. Perception of product quality for a separating equilibrium condition was significantly higher than that for a pooling equilibrium condition ($M=4.91$ vs. $M=4.17$; $F$ $5.89$, $p<.02$). Perception of manufacturer credibility for a separating equilibrium condition was significantly higher than that for a pooling equilibrium condition ($M=4.98$ vs. $M=3.74$; $F=13.11$, $p<.0005$). Perception of purchase confidence for a separating equilibrium condition was significantly higher than that for a pooling equilibrium condition ($M=4.98$ vs. $M=3.79$; $F=9.04$, $p<.004$). Purchase intention for a separating equilibrium condition was significantly higher than that for a pooling equilibrium condition ($M=4.10$ vs. $M=2.63$; $F=8.61$, $p<.005$). Positive word-of-mouth intention for a separating equilibrium condition was significantly higher than that for a pooling equilibrium condition ($M=4.05$ vs. $M=2.57$; $F=10.84$, $p<.002$). All predications in hypothesis 3 were supported.

**GENERAL DISCUSSION**

In summary, the findings of this study were consistent with the predictions of signaling theory. When a TPO was honest and endorsed few high quality firms, a separating equilibrium occurred. Then TPO endorsement was a signal of high quality. When a TPO was dishonest and endorsed high quality firms as well as low quality firms, a pooling equilibrium occurred and then TPO endorsement

was not a signal of high quality. This study also showed that a TPO endorsement in advertising would make consumers generate negative perceptions about endorsed products and manufacturers under the condition of a pooling equilibrium. Further, combining the results from hypothesis 2 and hypothesis 3, this study suggested that low-quality firms might not receive benefits by using a TPO endorsement strategy. In general, low-quality firms are only chosen by dishonest TPOs. Thus, a pooling equilibrium always occurs when low-quality firms contain TPO endorsements in advertising. Thus, in general, low-quality firms cannot contain TPO endorsements in advertising to signal the high quality. In other words, TPO endorsements would only benefit high quality firms, but not low quality firms.

The findings from this study advance our understanding of signaling theory. The results suggest that TPO endorsements in advertising could also function as a signal of quality under a separating equilibrium condition. Compared to other signals, such as price, advertising, brand name, warranties, and guarantees, TPO endorsements may be the cheapest signal to use. Although firms still need to pay the TPO for using the TPO endorsements in advertising, the cost of using the TPO endorsement is far lower than the cost of using other signals. Signals such as advertising and brand names require firms to spend tremendous money to create and develop. Therefore, if firms are looking for an economical marketing strategy to signal high quality, they should place a higher priority on the use of TPO endorsements.

The findings also provide managerial insights on marketing strategies. For example, high quality firms are more likely to be chosen by either honest TPOs or dishonest TPOs. The findings of this study suggest high quality firms should use TPO endorsements from honest TPOs because this type of endorsement can function as a signal of high quality. This study also suggests that high quality

firms not use TPO endorsements from dishonest TPOs because this type of endorsement is not a signal of high quality. Under some conditions, a dishonest TPO endorsement may generate negative perceptions about endorsed products and manufacturers. Low quality firms, in general, are only chosen by dishonest TPOs. Therefore, low quality firms are unable to use TPO endorsements in advertising to signal high quality.

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# For Those about to Rock: A New Understanding of Adolescent Music Consumption

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## ABSTRACT

The UK record industry is aware of what music consumers purchase, the way in which consumers purchase (online, music stores) and artist popularity but this does not facilitate an understanding of how or why music is consumed and what insights this might generate for future demand. This paper contributes by using qualitative research to better understand music use and consumption. The findings suggest that adolescents use music to express their identity but the extent of this expression and the consumption of music appears to vary depending on the family type in which the adolescent has been raised (intact, blended and single parent families). The teenage music consumer profiles of 'Experiential', 'Chameleon' and 'Defender' are posited and discussed. Implications for consumer behaviour, segmentation and marketers are explored.

## INTRODUCTION

Consuming is always a complex social phenomenon, especially with regard to adolescents (Benn, 2004). This may not be surprising given that adolescence is characterized by trying on new behaviours (Hall, 1996), learning consumption skills (Roedder John, 1999), displaying conspicuous consumption (Ahava & Palojoki, 2004) and/or learning social meaning (Ward, 1974). It is acknowledged that teenage consumers are fickle and refuse to be predictable even though they are known to send messages through their consumption styles and illustrate commitment to different groups (peers), different lifestyles, and possibly even political or ecological affiliations (Miles, 1998). However, the impact this period of 'storm and stress' has on the ability of organisations to target and communicate effectively with adolescents is less well established.

Understanding and targeting this group of consumers effectively is notoriously difficult. The changing media landscape has become a battleground for the consumers' share of voice. The 'MySpace' and 'YouTube' generation use many forms of media simultaneously and average over six hours a day using the various forms (Hempel & Lehman, 2005). As such, traditional forms of advertising are being re-considered and increasingly, marketing practitioners are questioning the relevance of the traditional ways of defining and segmenting the youth market. As part of this more investigative stance, companies such as MTV are interested in developing a keener understanding of the key influences in the lives of adolescents and the evolution of youth culture (Saxton, 2005). The key challenge facing marketers working in the youth music market would appear to be not obtaining information but making sense of it and filtering out what is meaningful.

## THE MUSIC MARKET

Attracting a target audience has encouraged the UK's record companies to increase spend on advertising to £128 million in 2004, representing 10.5 per cent of the £1.2 billion industry revenue in the same year. Targeting consumers effectively becomes increasingly important as the pressure to achieve a return on investment becomes more critical in an increasingly competitive environment (BPI, 2005). Age, gender and class are the main criteria for presenting statistics and survey findings across a range of market and consumer data produced by BPI, Mintel,[1] Keynote, IFPI and Euromonitor (2005). However the only data provided by the main statistical reporting organisations that distinguishes between early adolescent age groups (12-14 years) and older adolescents (15-19)

is 'choice of music', 'music downloading', 'purchasing by outlet' and 'music attitude statements' (Mintel only). All other adolescent consumer data is collapsed into the broader age classification of 12-19 years. This clearly produces a composite and only partial view of the adolescent consumer of popular music and represents a weakness in the industry's understanding and knowledge of their younger consumers.

## THE ADOLESCENT MUSIC MARKET

Record companies investing in, promoting and supplying merchandise for new musical talent and existing artists who are producing new popular music recordings and performing live concerts need to understand the teenage market. Hemsley (2005), for example, illustrates the significance of segmenting music events positing that 'promoters are nervous of taking on too much commercial activity in case they alienate the people they are trying to attract'. Research by ROAR (Parry, 2004) suggests that young people under the age of 24 are largely responsible for the success of new product launches in the fashion, technology and music markets. The same research has identified segments within the youth market that differ on the basis of their propensity for the early adoption of new trends and fashions and acknowledge that not all teenagers are interested in being part of new trends. However, their current research still fails to provide insight or understanding of how or why music is consumed and how this might influence future demand for music.

The importance of a greater understanding of the influences among adolescents on the consumption of popular music is highlighted by their effect on both current music sales and also future revenues that the industry has come to depend on as the same consumers mature and the population as a whole becomes increasingly mature (BPI, 2006). Success of crossover acts (artists popular with the young and those that continue to appeal as those consumers get older), has bolstered the most recent growth in sales figures suggesting that artists popular with the pre-teen market are catalysts for an older generation of music lovers without whom the industry faces inevitable decline. Talbot (2005) argues that faced with an increasing array of competing 'lifestyle' products aimed at young consumers (e.g. television, films, games, mobile technology, and the internet) pre-teens may not be drawn to music as much as they once were. As these pre-teens mature then, there would be a dearth of music enthusiasts negatively impacting upon the sales of crossover acts currently helping the record industry to survive. It is now appropriate and perhaps essential for the industry to consider a more sophisticated way of segmenting and targeting a youth audience that has historically been regarded as a homogenous group of consumers.

## ADOLESCENCE AND MUSIC CONSUMPTION

Music is known to be important in the social and personal lives of the adolescent. Frith (1996) argues that music can articulate cultural values and a sense of social meaning. As an interpersonal statement, music is least expensive in terms of time and resource commitment than say dress or friendship group. This flexibility and

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[1]Mintel also segments music purchasing data, retail outlet data and attitude statements by 'Working Status', 'Respondents Own Children', 'ACORN' and 'Lifestage' categories.

accessibility allows teenagers to modify their position and express their identity with greater fluidity. Many researchers have examined the role music has played in satisfying particular emotional needs (strategies for coping), social needs (belonging and identity) and developmental needs (the socialisation 'journey') [See Arnett, 1995b; Larson *et al*, 1989; Levy and Windahl, 1985; Lull, 1992; Rubin 1994]. What perhaps is less obvious is an understanding of the contradictions teenagers often display relative to popular music consumption and the sometimes seeming inconsistency of their choice and use of music. It is this that would be useful to the recorded music industry.

## INFLUENCES AFFECTING ADOLESCENT MUSIC CONSUMPTION

Research has shown that securely attached children are more inclined than insecurely attached children to explore their surroundings (West and Sheldon-Keller, 1994). As such, the stability of secure attachment affords more confidence to the teenager to allow them to experiment, or in the context of popular music, consume a more eclectic and diverse range of music types. For example, Schwartz and Fouts (2003) report that eclectic music tastes are more usual for teenagers who have less difficulty negotiating their adolescence. That is, they have fewer family problems, better peer relationships and do not experience significant issues regarding self-concept. Several authors [See Hansen and Hansen, 1991, Bleich and Zillman, 1991, Arnett 1995a] have also noted how the consumption of different genres of music by teenagers is influenced by the felt state of conflict with parents and/or restrictive conditions of their teenage lives.

Ekström (2005) highlights that the variety of family structures in which teenagers are raised are "subject to change in a continuously changing society" (p.493) and reinforces this with a call for research that requires "rethinking both the concept of the family and consumption in a family context". This supports the very essence of exploring music consumption against a backdrop of the familial culture and changing social context.

## THIS STUDY

The traditional segmentation bases of gender, age and outlet music is purchased from would seem not to capture what influences music consumption and how music is chosen and used by adolescents as a means of expression within families and with peer groups. Can an insight be generated into understanding adolescent music consumption and consequently provide a more holistic approach to targeting and communicating with this, currently perceived, homogeneous group of consumers?

This research qualitatively explores the motivations for teenagers using and consuming music, providing rich, expressive responses from adolescents which afford the opportunity to understand the behaviour and likely characteristics of different teenage music consumption habits.

## RESEARCH OBJECTIVES

The primary research objectives for this study were: (i) to understand in greater depth, the choice, use and consumption of music amongst adolescents (ii) to explore how this may be influenced by different family and social (peer) environments and (iii) to consider the implications for adolescent music consumption from the perspective of record industry segmentation and marketing practice.

## METHOD

Given the exploratory nature of this study, in-depth interviews with adolescents appeared to be the most appropriate method to address the issues raised. The main thrust of this research involved 24 longitudinal in-depth interviews. That is, twelve adolescents were interviewed and then the same adolescents re-interviewed six months to a year later.

The themes and questions in the interviews needed to reflect how the respondents consumed and used music (socially or privately), how often they listened to music and how they used music to express their identity. This included questions relating to the social and personal meaning of music. Familial influence and peer influence also needed to be explored to ascertain the extent to which music consumption was situational and if music use and consumption varied for teenagers raised in a variety of family structures (intact, blended and single parent).

The interview was designed in three phases. Initially, pictures were taken by the adolescents before they arrived so they could be introduced and discussed at the start of the interview. To aid the discussion on choice, use and consumption of music and expression of identity, the teenagers were asked to take pictures of items, places or people they valued most. This was to gauge what they valued most in their personal life and to contextualise their responses and also how this may change over time. The pictures were developed before the interview and the participants saw the pictures for the first time when they were interviewed. This was repeated for the second interview.

In addition to open ended questions, the second phase of the interview utilised the 'draw and write' (projective) technique, designed to encourage the adolescents to express what music meant to them. The draw/write technique involves the respondent drawing a picture using freehand to illustrate how they feel about music generally. Pictures could be made up of images, pictures or words. This technique [See: Backett-Milburn and McKie, 1999] was employed during interview to elicit greater insight into how they felt about music (external view) and also as a basis for discussing the meaning of music to them personally and socially and how it may allow them to express their identity.

Finally, when the interviews were finished, the respondents were asked to complete a blank card with their thoughts on the interview. The interviewer then wrote their thoughts on the interview on the other side. Mills (2001) suggests recording the context of the research as well as capturing the words spoken by the respondent. In this way, the blank card allowed a record to be maintained of the interviewer-interviewee perception of what had been discussed (and rapport between the interviewer-interviewee) and this was taken into account when interpreting the data.

## DATA ANALYSIS

The data collected from the interviews were analysed using the Ritchie and Spencer (1994) *Framework* analysis method. This method depended on the coding, charting and mapping of the data. *Framework* comprises of five stages which include: familiarization with the data, the development of a thematic framework, indexing, charting and mapping. This method allows comparison between the themes and issues as dictated by the respondents. The transcripts were also referenced to allow each source to be detected. The information was used to find associations between the salient issues and was governed by the original research questions to be addressed. The associations are mapped in the confines of the data and alternative explanations were sought and uniformly appraised against the actual data.

## FINDINGS

The key findings for this study illustrated (i) the influences affecting adolescents relative to music consumption, (ii) contradictions teenagers display relative to music choice, (iii) consumption of a variety of musical genre and finally (iv) the relationship music consumption had with the family environment in which the respondents were raised. These findings will now be explored using themes identified in the data: Understanding Adolescent Consumers (through their expression of identity) and Contradictions in Music Choice (situational consumption).

## UNDERSTANDING THE ADOLESCENT MUSIC CONSUMER

The respondents, regardless of age, gender or family structure, appeared to be in agreement about what music represented for them as adolescents; a way of expressing themselves, a way of enhancing mood and a way of helping them to form, consolidate or defend an identity.

Whilst respondents raised in intact families acknowledged music could be used to express identity, interviewees raised in blended or single parent families placed greater importance on music as a way of developing a character or expressing individuality. It may be that there is a greater search for a meaningful self or selves (Wiley, 1994; Kellner 1992; Gabriel and Lang, 1995) for those raised in blended or single parent families. For teenagers in this sample from intact families it seemed music was important but was less critical to their existence than for those raised in blended and single parent families. Interviewees raised in intact families tended to be more philosophical about music and identified it as transitory:

*"I don't really care who's number one. That used to be quite important to me. I used to think ooh come on get to number one. But if I like the music I listen to it."*
(Longitudinal interview: Amie, 15)

Most stated that the music they listened to, and other music types that they didn't find appealing, would induce an emotional response, whether this was a relaxed mood, anger, happiness or sadness. However, this was especially evident among respondents raised in blended and single families, perhaps because their attachment to the meaning of music and the way in which it allowed them to express their identity, was greater:

*"I think music does show because she's* [the artist] *had a lot of family problems and things, so her life kind of reflects in her music. Some of the songs I listen to will probably reflect me."*
(Longitudinal interview: Helena, 14)

Teenagers raised in single parent or blended family environments in this sample indicated that lyrics written by particular artists were akin to their own personal situations.

*"It's almost like instead of me kicking and punching a wall which I have done once but that was very stressful. It's almost like* [the artist is] *getting my anger out of me, she's almost telling me what's happened to me today and I have to be strong."*
(Longitudinal interview: Isabella, 14)

The need to illustrate commitment to a particular music genre (and in some instances to 'prove' the strength of commitment through consumption of clothing, gig tickets etc.), was also far more apparent for adolescents raised in single parent families and to some extent those raised in blended family environments. The findings suggested that this greater level of commitment to bands, artists or genres by adolescents (raised in single parent families), allows them to more easily or readily express an identity. As language or discourse can be seen as a medium through which, as well as the context within which, the fundamental processes of identity are forged (Tietze *et al*, 2003), the strength of commitment illustrated here suggests the importance of expressing a 'recognisable' identity through consumption behaviour relative to family type.

Even where semiotics appeared to be less important to the respondents, the interviewees were able to recognise (and to a certain extent judge) others as a result of their semiotic consumption:

*"One of my friends just listened to what I call normal music like pop music but then she went out with this boy who listened to like Eminem I think it was. Then she changed her clothes and now she smokes and stuff. I think it was down to the kind of music she was listening to."*
(Longitudinal interview: Samantha, 15)

As such, this can be considered as a shared world of shared meaning (ibid). Importantly, degrees (volume) of consumption were also observed by the respondents, indicating an understanding of symbolic dependence and commitment. In several cases, the strength of the connection to a particular music genre or artist represented the respondents' desire to retain or express cultural capital possibly as a means of consolidating or defending their social position:

*"Celia doesn't really like that much music but when I'm on the bus I usually listen to music and she sometimes listens to Tori Amos or something with me. Yeah, Tom is a big Tori Amos fan as well–and P J Harvey. We sit there obsessing over them."*
(Longitudinal interview: Tess, 17)

The suggestion was that music could make an individual more powerful or give them an 'edge'. It may be that an adolescent signifying more divergent tastes will have a greater need to be an opinion-former, leading edge consumer, symbol specialist or style leader as described by Nancarrow *et al* (2001).

This divergence may also lead to consumption or use of products for a specific purpose. That is, the sociological view of consumption focuses on the different ways in which people use products and brands to create social bonds or distinctions (Featherstone, 1991). As the semiotic signification and the images attached to goods become over-produced, there is a loss of stable meaning for an individual incorporating them into their social identity (Baudrillard, 1983). In effect, the good that is consumed for its semiotic value, is stripped of its status once it reaches a level of inflation or use by others that opinion leaders or style formers regard as 'too popular' and undifferentiated. This helps to explain the inverse relationship between the rise in the popularity of music artists and their cult status among style leaders. The adoption of goods for their status is part of the individual's consumption logic, and as such, represents an essential component of identity formation and the communication of this identity to others. This cultural capital was exemplified by the drawing task and the teenager's explanation of his drawing:

*"…you can't freeze frame it…you can't look at it and say this is what is happening…it's fleeting cos it's always moving, it's always changing. If you stop it or pause it it dies. It's better*

*than everything else and uncontrollable because no-one can say what music you can't play.*"

(Initial interview: Haden, 16)

Interestingly adolescents raised in intact families tended to use more generic terms (language) to describe their music taste rather than specific bands or artists, for example, 'RnB', 'Lo Fi' or 'Eclectic'. Teenagers raised in blended or single parent families illustrated their music tastes using specific band names or artists. Some of the artists were chosen by the respondents not because they were currently popular but because they represented what the respondents perceived to be more 'authentic' or 'credible' music (for example, Nirvana, Red Hot Chili Peppers or Coldplay). As such, the language reflects a lack of diversity or eclecticism in music choice and consumption than for those in this sample raised in intact families. Of course it may be that adolescents listen to music in public with their peers that they would not necessarily listen to in private (with their families). As such, contradictions in music choice may be apparent.

## CONTRADICTIONS IN MUSIC CHOICE (SITUATIONAL CONSUMPTION)

While all adolescents are expected to develop and grow from the family culture (Grotevant and Cooper, 1985; Youniss and Smollar, 1985), it is noted that this 'divergence' (or search for autonomy) can be both minimal and extreme and that divergence in this sample appears to be more extreme from adolescents raised in intact families or those from single parent families.

*"I don't know why it's uncool, it's just like your parents aren't cool are they. When you are a teenager, you're like no they are not cool, they are just my parents."*

(Second interview: David, 17)

Evidence of convergence (bonding with family members) was only apparent with the respondents raised in blended and single parent families. The convergence was not only between family members but also 'new' family members [father's girlfriend] who were given the opportunity to 'build bridges' through the use of music:

*"He* [father] *likes my music, as long as I play the music he likes, like Led Zeppelin. When I see him I say, 'What songs do you want me to learn [on guitar]?', and he'll tell me, 'Yeah, practice it here'. My dad's girlfriend, she's always encouraging me and saying, 'That's really good', so that's nice."*

(Second interview: Chris, 17)

The interviewees were also asked to express the way in which music was chosen and consumed within friendship groups (to explore situational consumption) and if and how this may influence expression of identity. For example some respondents felt that 'choosing' to overtly express a liking for a particular band or artist could mean that they risked being ostracised. In this way, music could be exclusionary as opposed to inclusive:

*"Some people say they like the kind of music I like but they're scared to be like I am."*
Interviewer: 'What are they scared of?'
*"People not talking to them."*

(Initial interview: Alice, 13)

Overall, peer influence appeared to have more of an affect on adolescents in this sample raised in single parent or blended families. They appeared to be more aware of the rules for 'belonging' to friendship groups and friends were important to them. For example there appeared to be a need among some respondents for artists to be 'genuine' or credible and this was particularly evident for males and those striving to retain 'expert knowledge'. It was also thought that music was a key way in which to identify the friends others would choose and as a result appeared to be less inclined to tell their peers about the music they consumed privately and sometimes preferred to listen to music on their own:

*"If my friends are in the car I listen to sort of R and B or sort of garage. I normally just play some 'funky house' because it's got more of my taste I think. It's a bit more personal to me, I recognise the tunes and if it's just me in the car it's always funky house, I can relate to it."*

(Initial interview: Tom, 17)

It seemed however (possibly with age and experience) that through the use of ever-improving technology (e.g. ipod 'shuffle' mode), potential conflict could be avoided and strategies may be employed to cope with the multiplicity of music tastes within friendship groups. As a result, friends 'liking' specific types of music had a less significant impact.

## DISCUSSION: SEGMENTATION AND ADOLESCENT MUSIC CONSUMPTION

For all the adolescents in the sample, music played some sort of role as either a mode of expression and/or fulfilment of emotional need both privately and in public. There was, however, evidence in the findings of clear differences between adolescents from different family types in terms of the role and significance of music in the identity formation process. Teenagers from intact families demonstrated and expressed a much more 'experimental' attitude towards their self-concept and a tendency to express (or experiment with) their identity in different social situations. This supports the work of Schwartz & Fouts (2003) who suggest adolescents raised in intact families are more eclectic in their approach to music choice. This may be because they are less concerned with what others think of them or because they have a level of stability not felt by teenagers raised in blended or single parent households.

This research illustrated the way in which music was used by the adolescents to 'bond with' or 'diverge from' family members and friendship groups. Adolescents raised in intact families in this sample displayed very little affinity-seeking behaviour (Flint, 1992) and were perhaps less concerned about the consequences of disruption or conflict than those raised in blended families. Music was regularly used to 'bond' with either the absent parent or with, typically, the mother left in the family home. Music was used both to build bridges with new family members and to exclude them and, as such, appeared to be used as a 'coping strategy'. This adds to the work of Chong-Bum et al., (1993) who suggest adolescents use a variety of ways to cope with the loss of an absent parent as music appeared to be used to a greater extent (that is had greater significance or meaning) for those raised in blended and single parent families. Most significantly this work begins to address the issues raised by Ekström (2005) who posits that as researchers we need to re-think consumption in a family context.

The social significance of music was evident as were the 'rules' for belonging to friendship groups. These appeared to be significantly related to music choice (e.g. exposure to specific artists and/or music genres), use (e.g. in-depth and 'privileged' knowledge and reciting of lyrics) and consumption (e.g. what is learned or remembered from exposure). This consumption behaviour was supported through the expression of language and dress.

**DIAGRAM 1**
Profiles of Adolescent Music Consumers



**Experiential**
- Reflect 'intact' family characteristics
- Eclectic music taste
- Less easy to define & target
- Use peers for information
- Less concerned with conflict

**Chameleon**
- Reflect 'blended' family characteristics
- Selected music taste
- Fit into several target & peer groups
- Avoid conflict & use music to build bridges

**Defender**
- Reflect 'single' family characteristics
- Deliberate music taste
- Strong target market & peer affiliation
- Music is a semiotic & mode of defence

- Music plays a more significant social and private role
- Value/defend the family
- More likely to comply with peer influence

Knowledge of particular music genres or artists was identified by the sample as key to positioning within friendship groups. This supports Featherstone (1991) who posits that conspicuous or intentional consumption forms part of a 'consumption logic'. In this context, information or privileged knowledge about new products, their social and cultural value, and how to use them appropriately, becomes important. For example, information that is difficult to find or is attained ahead of the normal rate of dissemination in the 'popular' press. Consequently being 'cool' or hip in the context of sub-cultural groups (in this instance friendship group) is a prime motivator for the adoption and consumption of the music "belonging" to that group, as well as using appropriate language and other elements of that sub-culture's discourse.

In order to belong the respondents illustrated their ability to display different aspects of 'self' in a variety of situational contexts. Multiple selves (Hall, 1996) were more apparent in this sample of adolescents raised in blended and single parent families. In this instance, music was not described as 'transitional' or temporary, but more meaningful and music was subject to greater scrutiny by the other friends in the (peer) friendship group. The author suggest that this may be the result of disruption within the family which, in turn, has increased the level of compensatory behaviour or coping strategies displayed by these adolescents. This compensatory behaviour supports and develops the work of Rindfleisch et al (1997) who suggests that teenagers who experience stressful life changes try to assuage these feelings by claiming possession of persons or objects that can be controlled. The role of music is clearly useful in our overall understanding of coping strategies.

Given the findings detailed above, Diagram 1 below indicates suggested 'profiles' of adolescent music consumers from this particular sample of respondents and summarises the findings of all the interviews.

### IMPLICATIONS

This research illustrates that understanding teenagers' use and choice of music may allow a more meaningful segmentation of the adolescent consumer. For the record industry, simply recording the family type of the adolescent in market research studies may be one indicator of greater consumption of associated music products (branded goods, concert tickets and clothing). Greater knowledge and understanding of this diverse group of consumers has also illustrated 'situational consumption'. That is 'Chameleons' (who readily 'blend in') are more inclined to listen to music they personally prefer privately whereas 'Experiential' music consumers have an eclectic, diverse music taste. Marketers and researchers will be interested in the ways in which music consumption appears to be contradictory for adolescents raised in a particular type of family. This research provides an insight as to why this might be the case (bonding, building bridges and conflict avoidance). Marketers and the music industry need to ensure communication approaches reflect this consumption behaviour.

It would also seem plausible that given the eclecticism of the intact adolescents in this sample, the likely innovators and early adopters of new and modified music will be raised in an intact family environment. As the parents of intact adolescents also appear to be more encouraging and supportive of 'trying on new behaviours', they too may be targeted as a 'connector(s)' to reinforce promotional campaigns or as promoters of diverse music consumption.

It is apparent that music could be developed, distributed and promoted using alternative approaches. As TV and TV advertising is no longer as effective in capturing the attention or time of the adolescents, the new media would be a more obvious and appropriate way to promote music. Research relative to music consumption could also be collated through music sites, offering 'Chameleons' more artist specific information, downloads and associated products and 'Experientials' the opportunity to consume a wide variety of musical genres and ultimately to become diffusers of new material. 'Defenders' could be provided with greater access to other 'Defenders' in an online community to nurture this strong target audience through peer affiliation.

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# Too Old to Choose? The Effects of Age and Age Related Constructs on Consumer Decision Making

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## ABSTRACT

Aging of societies is a major challenge to academic research as well as to management. The unstoppable trend of an aging society in most western societies offers opportunities and challenges at the same time. This paper sheds light on the impact of age as well as age-related constructs on relevant consumer attitudes and behavior. More precisely, the empirical study, conducted in the market for cars, examining the relationships between four distinct age constructs and assesses the impact of these age constructs on information gathering, a consumer's evoked set, and on brand loyalty.

## INTRODUCTION

The populations of most developed countries are aging because of longer life expectancies and decreasing birth rates (Uncles and Lee 2006). In Germany, people over the age of 60 constitute 24.1 % of the population in 2001. According to the German Federal Statistical Office this figure is likely to increase to 36.7 % by the year 2050 (from 14.6 % in 1950) (Destatis 2007, p. 31). Similar trends can be found in the US and France (Polyak 2000, Lambert-Pandraud, Laurent and Lapersonne 2005). In general, the aging of societies is seen as a serious threat that could endanger the economic perspectives of industrialized nations, e.g. their ability to innovate. This trend does not only impose challenges for societies as a whole, it also questions the existing understanding of companies about their customers. Despite the high relevance of an appropriate understanding of the influences of age on consumer behavior and the high interest of both academia and practice, only relatively little research on age effects can be found in existing marketing literature (e.g. Lambert-Pandraud, Laurent and Lapersonne 2005, Uncles and Lee 2006, Yoon et al. 2005). We believe that there are at least two reasons that account for the relatively small prominence of age related academic work upon this point in time. First, most industries have been traditionally focused on younger segments of consumers which were perceived as more consumption-oriented. As a consequence, research funds have been predominantly spent in that direction. Second, academic research on consumer behavior has an almost natural bias toward using student samples, since it requires a lot less effort to obtain than representative household samples.

Existing research can be grouped in studies that (1) explain influences of age on information gathering (e.g. Balasubramanian and Cole 1993), processing (e.g. Johnson 1990, Jones and Mullan 2006, Phillips and Sternthal 1977, Roedder-John and Cole 1986, Sorce, P. 1995), and decision making, e.g. purchase behavior (Lambert-Pandraud, Laurant and Lapersonne 2005, Uncles and Lee 2006), and (2) describe and measure age (e.g. Barak and Schiffman 1981, Carstensen 1992, Mathur and Moschis 2005, Salthouse 1992). Aging has been found to be reflected in psychological, social, and biological changes (Grégoire 2003). However, little is known about the explanatory power of these measures in terms of consumption-related constructs (e.g. information gathering, processing and purchase behavior) relative to chronological age.

In the present paper, we contribute to the literature by (1) examining the relationships between the age constructs (biological, chronological, psychological, and sociological age), and (2) by analyzing the impact of different conceptualizations and operationalizations of age on consumer attitudes, information seeking, and behavioral intentions.

In accordance with these research objectives, the paper is organized as follows. First, we discuss the theoretical background of the study and develop our hypotheses based on the existing literature. After describing the methodology, we present results of the empirical analysis, which is based on a fairly representative sample of 988 consumers. The paper concludes with a discussion of key findings and implications for academics and marketing practitioners.

## THEORETICAL BACKGROUND AND HYPOTHESES DEVELOPMENT

While in most of the marketing literature chronological age is used as a proxy variable to measure age, more sophisticated measures rooted in other disciplines have evolved. In existing literature, four interdependent mechanisms are seen as relevant to explain the phenomenon of aging in a consumer context: biological aging, cognitive decline, psychological aging, and sociological aging (Grégoire 2003, Lambert-Pandraud, Laurant and Lapersonne 2005). Biological aging is defined by the physical decay in terms of mobility and degeneration of sense organs. According to Moschis (1994) biological changes refer to "the changes in human functional capacity resulting from changes in cells and tissues that in turn cause deterioration of the biological system and its subsystems." Sorce (1995) claims that the average cognitive activity of a 60 year old individual is about 30 percent lower in relation to young individuals. As a consequence, the gathering and processing of new information is affected negatively with increasing age. Hence, learning requires more effort for elderly individuals. Moreover, psychological changes contribute negatively to the ability and willingness of older consumers to process new information. In line with that, older consumers have been found to be more risk-averse (Botwinick 1978).

Contrary to these aspects, older people are found to associate themselves to younger age groups in terms of their subjectively felt age (Barak and Schiffman 1981, Sherman and Schiffman 1991). Age related social changes refer to changes of roles experienced by people while aging (Grégoire 2003, Sherman 1990). Elderly individuals have fewer contacts and social interactions and attach greater importance to familiar and emotionally close contacts (Carstensen, Charles, and Fung 2003).

In sum, each of the aspects above contributes to the fact that individuals have increasing problems in terms of gathering and processing of information as they age. Age has been found to have a negative influence to the extent of information gathering about new products and services. More so, age negatively influences information processing in terms of having alternatives of products and services in one's consideration set. In all, age impacts purchase decisions (Lambert-Pandraud, Laurant and Lapersonne 2005). In the following paragraph, we build our hypotheses in line with this process (figure 1).

As reported by Phillips and Sternthal (1977), the extent of information seeking and the number of different information sources used in preparation of a purchase decision declines with age. This finding is confirmed by the results of Gronaugh et al. (1978),

**FIGURE 1**
Influences of Age on the Consumption-related Process
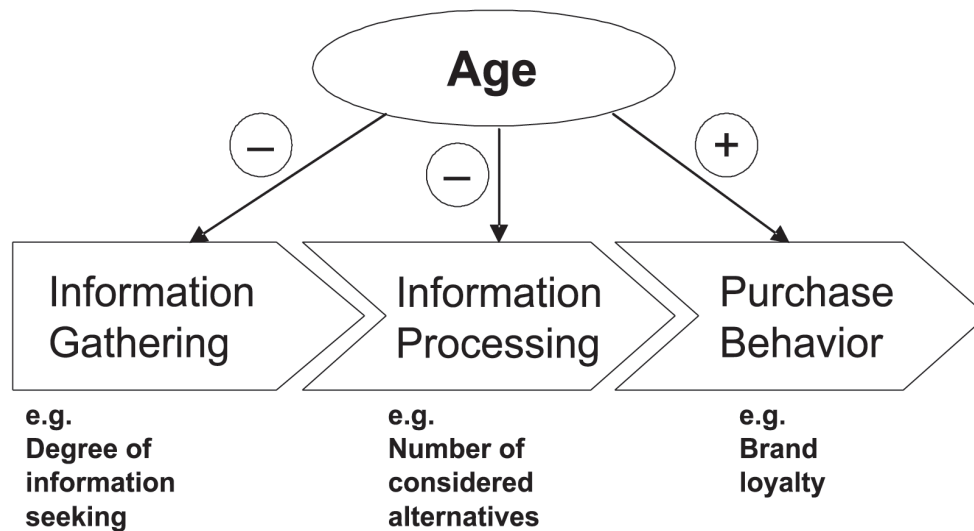


Johnson (1990) and Srinivasan and Ratchford (1991). Reasons for this change are (1) biological changes, which lead to a limited physical ability of older consumers to collect information, (2) the limited cognitive abilities of individuals which leads to a smaller degree of information seeking intensity (Balasubramanian and Cole 1993). Moreover, older consumers have made numerous experiences in almost all product categories over years. This fact in combination with their increasing risk aversion makes gathering of new information unwanted. (3) The decreasing number of social contacts leads to a decrease in the likelihood, that older consumers are confronted with new information. Older people increasingly rely on information from close family members without striving for external information (Phillips and Sternthal 1977). Therefore, we state the following hypothesis:

$H_1$: *The age of consumers in terms of a) chronological age, b) biological age, c) cognitive age, d) risk aversion, e) sociological age (family), f) sociological age (friends), g) sociological age (work colleagues) is negatively related to their extent of information gathering.*

For the reasons stated above, the extent of which new information is processed by consumers declines with their age. Existing findings in literature confirm that the number of products that consumers have in their evoked set is significantly smaller for the elderly (Lambert-Pandraud, Laurant and Lapersonne 2005, Balasubramanian and Cole 1993, Ehrenberg and Uncles 1990). Hence, we hypothesize that

$H_2$: *The age of consumers in terms of a) chronological age, b) biological age, c) cognitive age, d) risk aversion, e) sociological age (family), f) sociological age (friends), g) sociological age (work colleagues) is negatively related to the size of their evoked set.*

As a consequence of the decreasing ability to seek and process new information, older consumers can be found to be less fluctuating in their purchase behavior. This is reflected in an increasing loyalty to brands, as reported by Lambert-Pandraud, Laurant and Lapersonne (2005) in the case of automobile brands. Since strong brands are characterized by their emotional value to consumers, older people will be interested in sustaining relationships to their favorite brands, as they are interested in maintaining close relationships in general. Therefore, we propose that

$H_3$: *The age of consumers in terms of a) chronological age, b) biological age, c) cognitive age, d) risk aversion, e) sociological age (family), f) sociological age (friends), g) sociological age (work colleagues) is positively related to their brand loyalty.*

## METHODOLOGY

**Questionnaire Development and Pretesting**

To measure both independent (age constructs) and dependent variables (information gathering, evoked set and brand loyalty), a pool of sample measures was generated based on an extensive literature review. The items were pre-tested using a sample of 30 German individuals that were randomly selected. These subjects did not participate in the following field survey. Regarding question content, wording, format and layout there were no signs of any misunderstanding reported by the respondents.

**Sample and Data Collection**

We chose automobiles as our subject of analysis, given the high complexity of a purchase decision is ideal to find differences between consumers, related to the age constructs (Lambert-Pandraud, Laurant and Lapersonne 2005). The survey was conducted by means of a written self-completion questionnaire. We

asked individuals with age between 18 and 70 to participate in this survey for two reasons: First, we wanted to ensure that the respondents are allowed to drive[1] (and are still driving). Second, we had to limit the age of the respondents to ensure accessibility at reasonable cost. To ensure responses for age segments that were harder to access, we continued the survey until a minimum of 10 respondents was gathered for each (one-year) age-group between 18 and 70. Moreover, we controlled for gender. A total of 988 persons completed the survey. The average age of the respondents is 38.26 (Std.-Dev. 15.85), distribution of gender is 52.6 female and 47.4 male, respectively. This is quite representative for the German population.

## Measurements

On that basis a questionnaire was developed consisting of three parts. The first part consists of questions on the chronological age and the other age constructs. Biological age is measured on a 7-point Likert-type scale, with anchors of 1=strongly agree and 7=strongly disagree using three indicators that reflect increasing difficulties to (1) walk, (2) use the stairs, and (3) mobility in general (Composite reliability (CR)=.798; Average Variance Extracted (AVE)=.573). To measure the cognitive or psychological age, we use the four indicators developed by Barak and Schiffman (1981) namely the "feel", "look", "do", and "interest" age. These items are measured on 7-point scale in steps of 10 years, with anchors of "in my 20s" to "in my 80s" (CR=.968; AVE=.883). As a second construct related to psychological age, we use a scale by Burton et al. (1998) to measure risk-aversion (CR=741; AVE=.489). Sociological age is operationalized by using the scale proposed by Carstensen (1992), in which the relations to family members (CR=.823; AVE=.612), friends (CR=.818; AVE=.602) and colleagues at work (CR=.820; AVE=.605) are measured in terms of interaction frequency, emotional connectedness, and satisfaction. The items are measured on a 7-point-Likert-type scale. The global goodness-of-fit indices resulting from the confirmatory factor analysis are above the thresholds generally proposed (CFI=.955, TLI=.943, RMSEA=.064, SRMR=.042) (Hair et al. 2006). Below, the correlations of the independent variables are depicted. As can be noted, cognitive age and chronological age are closely related. Therefore, these two constructs are not analyzed in a single model in order to avoid multicollinearity.

As depicted in figure 2, the relations between the age-related constructs and chronological age show some fluctuation and can be found to increase over time.

The dependent variables are operationalized by (1) using a 7-point-Likert-type scale with items from Bearden, Netemeyer and Teel (1989) to measure the extent of information gathering related to a typical purchase decision. (2) We calculated the number of alternative brands that are taken into consideration by asking the respondents an open question about their evoked set, in which they were asked to name all relevant brands (Gruca 1989). Finally, we measure brand loyalty as action loyalty (Oliver 1999), calculating a dichotomous variable by comparing the (car) brand in use and the brand used before. To test our hypotheses, we use structural equation modeling (SEM). We compare the explanatory power of chronological age with an alternative model consisting of the age-related constructs described above.

## RESULTS OF HYPOTHESES TESTING

Results of hypotheses testing are shown in table 2. As proposed in H1a-H2a, we find the expected negative influence of

[1]Please note that driving age in Germany is 18 years, not 16 as in the U.S.

chronological age on the extent of information gathering and the number of brands in the evoked set of the consumers. Moreover, age is also positively related to brand loyalty, therefore H3a can not be rejected. In model 2, we find no effects of biological age on the dependent variables, therefore H1b-H3b have to be rejected. As shown in figure 2, biological age seems to be correlated to chronological age only starting in the late 50s and above, therefore it is not surprising that the overall effect is not significant. The influence of cognitive age is as expected for all three dependent variables, hence we confirm H1c-H3c.

The influence of risk aversion on the size of the evoked set and brand loyalty is as hypothesized, providing support for H2d-H3d. However, H1d has to be rejected, because of a significant positive effect of the degree of risk aversion on the extent of information gathering. On the one hand, this is in contrast with our assumption that older more risk averse people will reduce their information gathering and stay with a known alternative. On the other hand, risk aversion in general implies the tendency to seek intensively for information that will help to justify a purchase decision.

Concerning the influence of sociological age, we find evidence that stronger relations to family members (H1e) and weaker relations to friends (H1f) are negatively related to information gathering. However, we found those respondents with weaker ties to friends having more brands in their relevant set, which is contrary to our assumptions (H2f). A possible explanation for this effect could be that people might build up relationships with brands when other relational ties are not available. Overall, the age-related constructs do not exceed the explanatory power of chronological age. In figure 3, relations of chronological age to the dependent constructs are depicted, showing the standardized means of the dependent variables for each chronological year.

## IMPLICATIONS AND FUTURE RESEARCH

The above findings confirm most of the findings in literature saying that age is negatively related to information gathering and processing, and positively related to the stability of purchase behavior, i.e. brand loyalty. These results are good and bad news for marketing management at the same time. Especially strong and long established brands are likely to profit from aging of societies in the future, since they found a natural ally for defending themselves against rising competitors. Older consumers might simply not consider emerging alternatives, maybe even not noticing them at all. In consequence, the importance of age as a natural switching barrier will increase in the future. This is bad news for newly established companies for which the key challenge of the future will be, how to overcome the above mentioned obstacles to get into older consumers' minds.

Our findings offer various avenues for further investigations. At first, the effectiveness of alternative ways of communicating about new brands, products etc. should be examined. Possibly, elderly consumers can be reached better by indirect communication which targets them in their social context (e.g. through their local community). Second, further research should examine how older consumers' willingness to consider and process new information can be enhanced. It might be possible to "win" older consumers by providing them brand experience. This reduces their risk in trying new alternatives. In that sense, consumers are never too old to choose, but sometimes, marketers just don't find the right words.

As with all studies, ours suffers some limitations, the key limitation being the dataset, which only takes into account consumers aged from 18 to 70. In general, the age-related constructs examined in our study seem to add little explanatory power over the chronological age. Some of the age-related constructs like biological age seem to get increasingly important for very old people,

**TABLE 1**
Correlations of age-related constructs

|  | CHRON | BIO | COG | RISK | SOCA | SOCB |
|---|---|---|---|---|---|---|
| Chron. Age (CHRON) | 1 |  |  |  |  |  |
| Bio. Age (BIO) | .415*** | 1 |  |  |  |  |
| Cog. Age (COG) | .954*** | .449*** | 1 |  |  |  |
| Risk Av. (RISK) | .336*** | .100** | .307*** | 1 |  |  |
| Soc. Age Family SOCA) | .115*** | .026n.s. | .099*** | .162*** | 1 |  |
| Soc. Age Friends (SOCB) | .312*** | .150*** | .320*** | .092** | .277*** | 1 |
| Soc. Age Work (SOCC) | .073** | .033n.s. | .101*** | .029n.s. | .141*** | .365*** |

***p<0.01; **p<0.05; *p<0.1, n. s.=not significant

**FIGURE 2**
Graphical overview of relations of age related constructs to chronological age
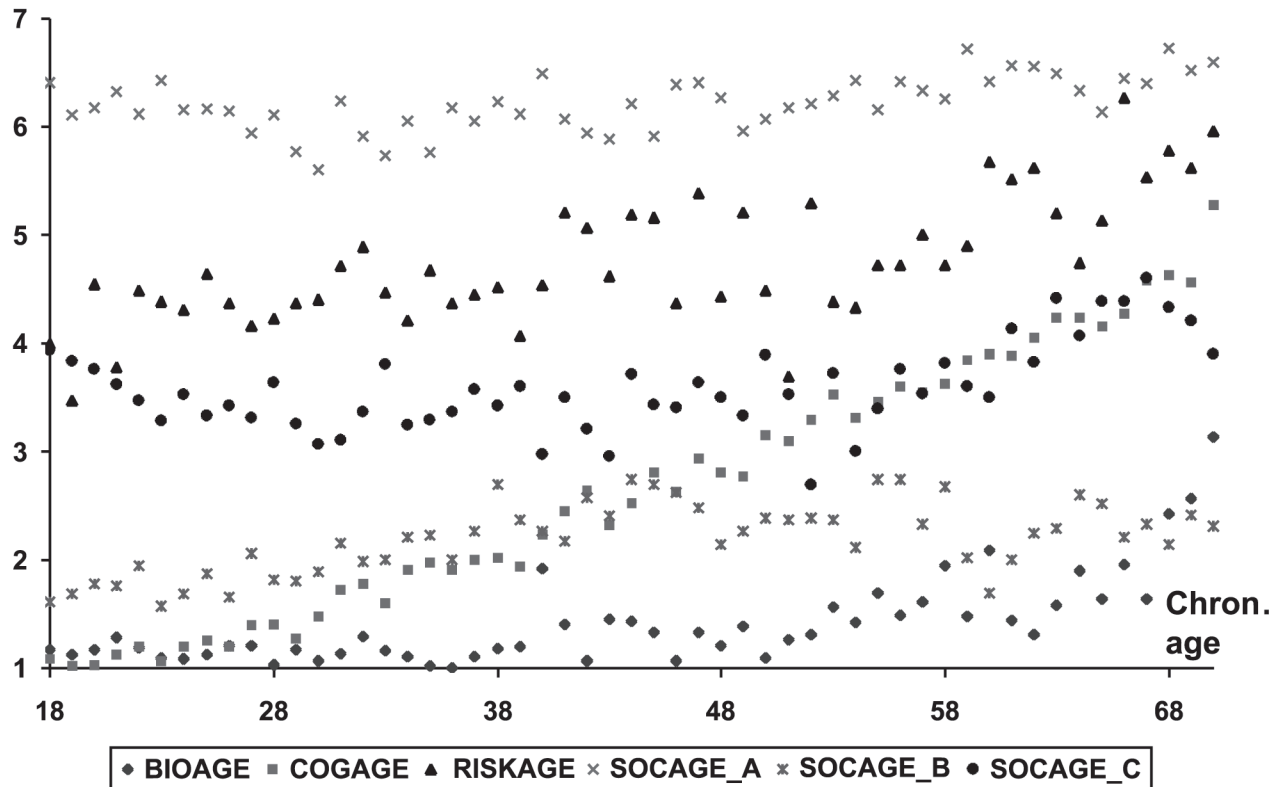
**TABLE 2**
Influence of age on information gathering, evoked set and brand loyalty

| Hypotheses | (1) Information gathering | (2) Evoked set | (3) Brand loyalty |
|---|---|---|---|
| $H_i$a Chron. Age | -.384*** | -.382*** | .402*** |
| Explained Var. | $R^2$=14.7 % | $R^2$=14.6 % | $R^2$=5.0 % (Nagelkerke) |
| CFI=.995, TLI=.989, | — | — | — |
| Goodness-of-fit Indices | RSMEA=.045, SRMR=.019 | (no measurement error) | (no measurement error) |
| $H_i$b Biol. Age | .039n.s. | -.053n.s. | -.053n.s. |
| $H_i$c Cog. Age | -.415*** | -.343*** | .258*** |
| $H_i$d Risk | .135*** | -.087** | .112** |
| $H_i$e SOCA | -.068* | -.059n.s. | .046n.s. |
| $H_i$f SOCB | -.098** | .111*** | .074n.s. |
| $H_i$g SOCC | .034n.s. | -.009n.s. | .021n.s. |
| Explained Var. | $R^2$=17.6 % | $R^2$=14.3 % | $R^2$=4.9 % (Nagelkerke) |
| Goodness-of-fit Indices | CFI=.951, TLI=.941, RSMEA=.055, SRMR=.040 | CFI=.949, TLI=.935, RSMEA=.062, SRMR=.040 | — |

**FIGURE 3**
Graphical overview of relations of dependent constructs to chronological age
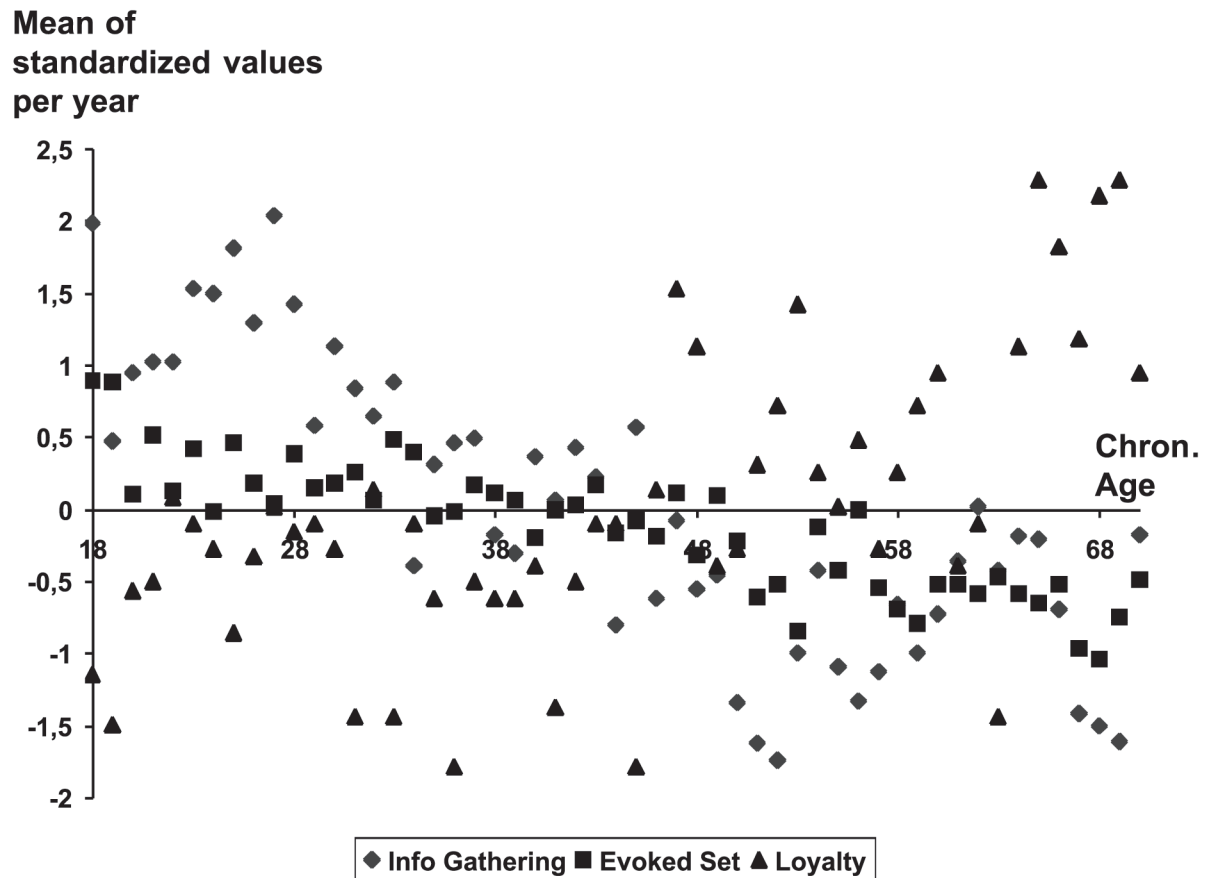
therefore our overall results do not reflect this properly. Moreover, we assumed linearity for all relationships. A look at figures 2 and 3 confirm that this might be a reasonable way to get a general picture. Further research should assess age constructs in a segment specific manner to get an understanding about when the specific phenomena get important in terms of the purchasing process.

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# Dynamic Pricing on the Internet: A Price Framing Approach

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## EXTENDED ABSTRACT

The applicability of online dynamic pricing practices is still debatable given that contradictory findings have been reported in the literature. While previous literature has studied the need, impact, and benefits of adopting dynamic pricing strategies (Elmaghraby and Keskinocak 2003; Haws and Bearden 2006; Kung, Monroe, and Cox 2002; Xia and Monroe 2004), behavioral researchers have studied consumers' perceived price unfairness of dynamic pricing and its negative effect on consumer trust and further (re)purchase intentions (Garbarino and Lee 2003; Grewal, Hardesty, and Iyer 2004). In previous research different price levels were used on a comparison basis to examine consumers' responses. Most of the price fairness research findings are relatively similar in that consumers sense price unfairness, distrust, and negative (re)purchase intentions when they pay a higher price than other individuals for the same product. The inconsistent findings raise the question of whether dynamic pricing will work in an electronic commerce environment.

The purpose of this research is to study different ways of framing prices (i.e., ways of presenting a price offer or price change) on the Internet so as to moderate the negative effect of consumers' perceptions of price unfairness, distrust, reductions in value and (re)purchase intentions. It is not new that retailers often use price promotions to boost their sales. Research has shown that sales promotions or different framing promotion information formats positively affect buyers' perceptions and purchase decisions (Chen, Monroe, and Lou 1998; Darke and Chung 2005; Monroe 2003). Therefore, unlike previous research using only a single price comparison approach, we used four different online price framing tactics (sales promotions: dollar off, percentage off, cash coupon, and free gift) to study consumers' perceptions and behaviors. Compared to an equivalent financial offer without any framing strategy, we predict that all four price framing tactics will reduce consumers' perceived price unfairness and increase perceived value, trust, and (re)purchase intentions (Chen et al. 1998; Monroe 2003; Xia, Monroe, and Cox 2004). Among the four tactics, we hypothesize that consumers will prefer dollar off and cash coupon framing more than percentage off and free gift framing. Consumers who prefer dollar off and cash coupon will have lower perceived price unfairness, higher perceived value, trust, and (re) purchase intentions than their counterparts (Estelami 2003; Kim and Kramer 2006; Monroe 2003; Xia and Monroe 2004). However, the more consumers perceive their transactions to be dissimilar with those of other people, the lower will be their perceived price unfairness and the higher will be their perceived value, trust, and (re)purchase intentions (Xia et al. 2004).

To test the hypotheses, we conducted two studies using university students as participants. Study 1 examined the effect of two different price presentation formats on buyers' perceptions. It was a price discount framing x price presentation (no framing, $ off, and % off) factorial design. Study 2 investigated the effect of different compensation tactics on buyers' perceptions and their preferences for such tactics. It was a one-factorial design with three conditions (no framing, free gift, and free cash coupon). The same dependent variables were examined in both studies (consumer perceptions of fairness, perceptions of value, trust, and (re)purchase intentions). In both studies, participants first read a short scenario asking them to consider buying an Apple iPod online. Second, the manipulation of price presentation format was introduced via a web page with the product name and model number, price, and product description. All participants were presented the same iPod web page with the same iPod product but with a different price presentation format. The final iPod price the participants would pay was approximately the same amount, $174.99, 25% above the reference price. Third, in studies 1 and 2 participants first chose which promotion they wanted to receive. In neither study were they told directly what the actual final price would be after discount or after reward ($174.99) since we wanted to know participants' preferences ($ off vs. % off or cash coupon vs. gift). In study 1, participants were asked to choose their promotion between 20% off and $44 off of the iPod retail price, $218.75. In study 2, respondents were given the option to choose either a free iPod armband or a $25.00 coupon along with the same product price, $199.99. After choosing the price promotion they preferred by indicating their willingness to buy the iPod, participants were told that a friend bought the same iPod from the same online store for a lower price, $139.99. Finally, participants completed an online questionnaire regarding their buying experiences. The time required to complete the questionnaire was about 15-20 minutes.

Regression, MANOVA, and multiple comparisons analyses were conducted to examine the effect of price discount presentation (study 1) and compensation tactics (study 2) on the four dependent measures. Results revealed that all of the four price framing tactics (format: $ off, % off, free cash coupon, and free gift), in comparison to no framing tactic, can significantly lower consumers' perceived price unfairness, enhance consumers' perceived trust and (re)purchase intentions even after consumers are aware that they paid a higher price than their friends for the same product at the same online store. This effect is due to the differences in perceived transaction dissimilarity and perhaps insufficient price adjustment by consumers (e.g., process and calculate the product base price ($) and percentage (%) off). Our study indicates that people prefer promotions that are in a similar unit ($) as the product's base price ($).They preferred dollar off more than percentage off as well as preferring a free cash coupon more than a free gift. It might be easier and faster for them to compute the final purchase price when the promotions are in the same unit as the product base price. An interesting observation, however, is that given that all forms of price faming tactic reduce consumers' negative perceptions, promotions in different units (e.g., percentage off or free gift) than the product base price ($) actually yield better results than do the preferred dollar off and cash coupon. The findings suggest that online retailers might be better off using a non-dollar promotion presentation in their dynamic pricing practices.

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# The Effects of Contextual Prices on Consumers' Price Evaluation: A Test of Alternative Reference Price Models

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## EXTENDED ABSTRACT

Consumer's price evaluation is often susceptible to other price information available in decision context (Janiszewski and Lichtenstein 1999; Niedrich, Sharma, and Wedell 2001). For example, consumers use prices of other alternatives in the evoked choice set as their reference prices and incorporate this information into their evaluation of a target brand (e.g., Rajendran and Tellis 1994). Prior research has proposed various theories explaining the reference price effects. These theories include the adaptation-level (AL) theory (Helson 1964), the range theory (Volkmann 1951) and the range-frequency theory (Parducci 1963). These theories differ in terms of which specific feature of the price distribution plays the most important role in affecting consumer price evaluation. First, the adaptation-level theory suggests that consumer's evaluation is influenced mainly by the relative position of the target to the arithmetic or geometric average of the contextual prices. Second, the range theory proposes that the relative distance of the target to the extreme prices in the given context price range is the most important influencing factor. Finally, range-frequency theory claims that the reference price effect can be best explained by the weighed average of the target price's relative distance to the extreme prices and its rank in the given price set (e.g., the 3rd or 5th expensive option among all the prices presented).

While the past research focuses on competing these models in terms of their fit to the actual price evaluation, little attention has been directed to identifying the moderating factors that influence their relative performance. We put forth that which price model will apply depends on the type of decisions they are asked to make. This is due to the compatibility between the cognitive processing called for by different decision tasks and the process underling the specific reference effects. Specifically, if the decision task promotes the use of quantitative processing, as in the case of price attractiveness rating (i.e., how much the brand is attractive), the range of the contextual prices will play a more important role. On the other hand, if the decision involves a qualitative processing, as in the case of deciding on whether or not to purchase the brand, the adaptation-level or the frequency effect will be more prominent. Further, we suggest which of the two accounts (AL vs. frequency) will prevail in the purchase decision task depends on the format in which context price information is presented.

These predictions are tested in three lab studies. In all studies, the average (i.e., AL), the highest and lowest prices (i.e., range) of the context price distribution, and the ordinal rank of the target (i.e., frequency) within the list of contextual prices are systematically and independently manipulated across experimental conditions. In study 1 and 2, participants are asked to view a list of prices of other brands in the same product category and then presented with a target brand with price information alone. Subsequently, they are asked to make a judgment about the target brand. The type of judgment differs depending on the assigned condition. There are three different judgment conditions; product attractiveness rating, purchase intention rating, and binary purchase (buy or not buy) decision conditions. In the product attractiveness rating condition, participants are asked to rate the target brand in terms of their attractiveness on a seven-point scale anchored by "not at all attractive" and "very attractive." In the purchase intention condition, participants rate their likelihood of purchasing the target brand using the seven-point scale anchored by "not at all likely to purchase" and "very likely to purchase." Lastly, in the binary purchase decision condition, participants make a choice of whether or not to purchase the target brand using a dichotomous scale (i.e., yes or no).

The findings from the three studies support our hypotheses. Consistent with our predictions, study 1 results show that, in the attractiveness rating condition, manipulation of the lowest and the highest context prices (i.e., the range) has a significant impact while both the changes in the average price and the ranking of the target price do not have any significant impact. In contrast, in both the purchase intension rating and the binary purchase decision conditions, only the rank order of the target has a significant effect on participant's judgment. Neither the range nor AL has any impact on both purchase decision tasks.

Study 2 examines the condition under which the AL model over the frequency model applies to the purchase decision outcome. The study procedure was similar to that of study 1 except that we reduced the number of context prices from 10 to 6 and the reference prices are presented in a random, instead of an ascending, order. In line with our expectation, we found the AL (vs. frequency) model better accounts for judgments regarding both purchase intension rating and binary purchase decision.

In study 3 we replicate our findings in a more realistic consumer decision setting where other product attribute information, in addition to the price information, is also available. The range, average, and the skewness of the price distribution vary across two task conditions; attractiveness rating and purchase willingness rating. The results are consistent with the study 1 and 2. In the brand attractiveness rating condition, target price's relative proximity to the extreme prices has the stronger impact on the evaluation. However, in the purchase willingness rating condition, the frequency and the average model provide better fit to the actual evaluation outcome than the range account.

In conclusion, our research extends the existing literature on reference price effect by identifying the important moderating factor determining the relative performance of different price models. We believe that current research enriches our knowledge about the processing underlying the consumer price perception and judgments.

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# The Impact of Price Sequences on Preference and Choice

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## EXTENDED ABSTRACT

Research studying consumer response to price has concentrated on using a single price as focus or stimulus in relation to other variables. However, with increasing changes in the methods used to present prices to consumers, such as dynamic price systems, sequences or series of prices are becoming more commonplace and it is necessary to study the impact of sequence characteristics (mean, trend, and variance) on choice and preference.

Sequence research has been conducted in many contexts but surprisingly not in the context of sequences of prices. Existing research on (non-price) sequences (e.g. Loewenstein and Prelec 1993) tends to focus on the mean and trend of the sequence, but not the variability. The discounted-utility model postulates that because events in the future are time-discounted, events should be ordered from most positive to least positive, but much of the more recent work in this field (e.g. Loewenstein and Prelec 1991) is devoted to finding anomalies in this model. A typical example of an anomaly is that people prefer to have their salary increase over time rather than decrease. Whether primacy or recency effects occur in sequence evaluations could also have to do with the nature of the sequence (Zauberman, Diehl and Ariely 2006): informational sequences tend to exhibit primacy effects, whereas hedonic experiences tend to be driven by recency. A somewhat contradictory finding is that internal reference prices exhibit strong recency effects (Briesch, Krishnamurthy, Mazumdar, and Raj 1997).

Comparatively little work has been done on specifically price sequences. Danziger and Segev (2006) demonstrated that both expected future price and evaluation of a target price (set at the mean of the observed sequence) were affected by the trend of the sequence viewed.

Three components of price sequence are studied: mean, slope and variance. It is natural that a sequence with a lower mean price will be preferred, ceteris paribus, to a sequence with a higher mean price. The existence of a trend is beneficial to the consumer, as it provides for the creation of a future-price expectation (Danziger and Segev 2006). Finally, price sequences can also have different levels of perceived variance and the greater the variance, the more difficult it is to form expectations of future prices. Existing reference price literature would dictate that as long as the variance is not inordinately large, the price should either be assimilated (adaptation-level theory) or added to the existing range of experience prices (range-frequency theory). However, there is no researched impact of variability itself on choice. There is also the issue of real vs. perceived variance.

Study one involved selecting between a vendor offering prices in a random pattern and another offering prices with a discernable trend (with order counterbalanced). The key finding from study one is that the random sequence was avoided by a margin of two to one–67.8% of respondents opted for the ascending or descending series as opposed to the random sequence ($p<.001$). Furthermore, the ascending sequence was significantly preferred over the zero-slope sequence, while the descending sequence was not. There was no significant effect on choice ($p>.10$) based on the non-random (ascending vs. descending) sequence condition. However, when preference scores are examined, there is a marginally significant effect ($p=.051$) showing that the ascending sequence is preferred over random more often than the descending sequence. There also exists a significant order effect: when the random sequence was viewed first, it was more than twice as likely to be selected as when it was viewed second ($p<.01$).

Study 1A was conducted because the sequence of prices used as stimulus for the random condition in study 1 ended on a high price, which may drive some of the results. There were, however, no significant differences between any of the results in study one and the results in this study for corresponding conditions (all $p$'s>.15). Even so, there are some curious findings. The ascending sequence has a significantly higher choice share ($p<.05$) against the random sequence than does the descending sequence. Also, an interaction was discovered between order and trended sequence.

The findings and explanations of the above two studies are contingent on the assumption that participants' perceptions of the sequences were at least somewhat in line with the actual sequences presented. In order to discover the ways in which perception may differ from strict reality, study two was undertaken, wherein participants were asked to recall and map out the prices they had seen in two different ways. In general, it was found that participants could report back, both numerically and graphically, the descriptive statistics of the sequences and their trends. One notable exception was the inaccuracy of trend recall amongst those in the 'random' condition–fewer than half of the participants in those cells correctly identified the series as having no specific upward or downward trend, which was a significant departure from those respondents in the ascending and descending sequence conditions ($p<.001$). It is interesting, however, that the majority of these incorrect responses identified the sequence as ascending. Study two also served as a successful replication of the first study. A logit model was created from study two data using perceived variance as the independent variable, and this explained 20% of the effect on choice.

While respondents were somewhat accurate in the mathematical variance expressed through the graphs, the perceived variance was very different. There were significant differences ($p<.05$) between all three focal series in terms of variability ratings (perceived variance).

This avenue of inquiry has led us to the presented results, but has also raised some new, interesting questions. Further investigation is required to understand the complete picture that price sequences represent. Even so, we have already found that price sequences have a significant impact on choice through the combined impact of mean, trend, and perceived variance.

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# Culture Matters: The Impact of Power-Distance Belief on Consumers' Impulsive Buying Tendency

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## EXTENDED ABSTRACT

Impulsive buying behaviors are very common, with some estimates attributing impulse buying to over four billion dollars of annual sales in the U.S. (Agins 2004).

Recently, research has explored the relation between culture orientation and impulsive consumption. Kacen and Lee (2002) provided correlational evidence of an interrelation between individualism–collectivism (and independent–interdependent self-construal), trait buying impulsiveness, and impulse buying behavior. They reasoned that consumers from individualistic societies may exhibit more impulsive consumption than those from collectivistic societies, because collectivistic members suppress the impulse more than do individualistic members. Consistent with this hypothesis, they found that measures of trait impulse buying were more predictive of actual impulse buying behavior for individualistic than for collectivistic members.

Although the results are correlational, and thus vulnerable to many possible alternative interpretations, they have some interesting implications. For one implication, they suggest that cultural constructs related to individualism and collectivism such as power-distance belief should have corresponding influences on impulsive buying tendency. Building on the literature on power-distance belief and the control thesis proposed by Baumeister (2002) to explain impulsive buying tendency, we hypothesized that consumers with high power-distance belief are less likely to display impulsive buying tendencies than those with low power-distance belief. We also explored the moderating role of utilitarian versus hedonic processing objectives and the availability of self-control resource.

Four studies were run to test these possibilities. In study 1 we used a cross-country dataset comparing consumers on their impulsive shopping tendency. The dataset was from a 2003 ACNielson |ShopperTrends study which polled around 15,000 urban households across 15 Asia Pacific markets, and our hypothesis was confirmed. Building on this secondary data, in study 2 we tested the role of power distance belief by measuring power-distance belief and tested its effect on an established impulsive buying scale (Rook 1987). In study 3, we tested this hypothesis by priming power-distance belief and tested its effect on an indirect buying scenario. In study 4, we tested the moderating role of hedonic versus utilitarian processing objectives in the relationship between power-distance belief and impulsive buying tendency. Results show that consumers with a high power-distance belief tend to show less strong impulsive buying tendency. Conversely, consumers with a low power-distance belief tend to show stronger impulsive buying tendency. Further, the effect of power-distance belief on impulsive buying tendency is stronger when consumers engage in utilitarian than hedonic processing objectives.

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# The Effect of Self-Construal on Impulsive Consumption

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## EXTENDED ABSTRACT

Impulsive behaviors, and impulsive consumption in particular, are generally considered negative constructs that are associated with a variety of other negative traits (e.g., lower intelligence, immaturity, poor value system) and outcomes (e.g., financial problems, lower self esteem and post-purchase satisfaction; Rook 1987; Rook and Fisher 1995). Yet, impulsive consumption is also very common, with some estimates attributing impulse buying to over four billion dollars of annual sales in the U.S. (Kacen and Lee 2002).

Impulsive consumption has been linked to a variety of psychological "markers" (e.g., lack of reflectiveness, spontaneity, lack of persistence) and general correlates (e.g., thrill-seeking, need for stimulation, low self esteem; Gerbing, Ahadi, and Patton 1987; O'Guinn and Faber 1989; Weun, Jones, and Beatty 1998). More recently, research has explored the relation between culture orientation and impulsive consumption. Kacen and Lee (2002) provided correlational evidence of an interrelation between individualism–collectivism (and independent–interdependent self-construal), trait buying impulsiveness, and impulse buying behavior. They reasoned that consumers from individualistic societies may exhibit more impulsive consumption than those from collectivistic societies, not because of less impulse, but because collectivistic members suppress the impulse more than do individualistic members. Consistent with this hypothesis, they found that measures of trait impulse buying were more predictive of actual impulse buying behavior for individualistic than for collectivistic societies.

Although the results are correlational, and thus vulnerable to alternative explanations, they are also interesting and provocative, and have a number of implications. For one, they suggest that to the extent that the self is malleable (Mandel 2003; Markus and Kunda 1986) and subject to situational changes (Trafimow, Triandis, and Goto 1991), then such situational changes in self-construal (independent vs. interdependent) should have corresponding influences on impulsiveness. This possibility has the potential to reconcile conflicting findings on the relation between conformity (a value that correlates with self-construal) and certain impulsive behaviors (cf. O'Guinn and Faber 1989; Rose, Bearden, and Teel 1992). A second implication is that, given cultural differences in self-construal (the chronically accessible self-construals of individuals from individualistic cultures tend to be independent, whereas the chronically accessible self-construals of individuals from collectivistic cultures tend to be interdependent), cultures should differ on the extent to which they engage in particular impulsive consumption behaviors.

Four studies are presented that test these possibilities. In two of the studies we manipulated self-construal to determine its effect on state impulsiveness and attitudes toward engaging in a behavior often linked to impulsive consumption (beer drinking). The focus on the particular behavior of beer drinking allowed us to then test our hypotheses of the link between self-construal and impulsive consumption at the societal level, using secondary data linking cultural orientation and beer consumption. From the two experiments, we show that manipulations of self-construal influence intention to engage in an impulsive behavior in predictable ways, and this influence is meditated by state impulsiveness. From the two secondary data sources we show that cultural-level (country) measures of self-construal influence beer consumption (Study 3) and subcultural-level (U.S. states) measures of self-construal correlate with problem beer consumption, such as teen drinking and adult binge drinking (Study 4). The convergence between individual level and cultural level of self-construal on beer consumption indicates the robustness of our theoretical framework.

## Study 1

In Study 1, undergraduate business students were primed with either an independent or interdependent self-construal, after which, as ostensibly part of a second study, their attitudes toward drinking beer at that moment and their state level of impulsivity was measured. As expected, those primed with an independent self-construal had more positive beer-drinking attitudes than did those primed with an interdependent self-construal, and this relation was mediated by state impulsivity.

## Study 2

In this study, we tested the extent to which the presence of peers influenced the self-construal—impulsiveness relation. Public versus private conditions has been shown to moderate the relation in a number of contexts, and the presence of peers has been shown to increase the urge to purchase under certain conditions. We expected that peer presence would increase the tendency toward impulsive consumption behavior for those with an independent self-construal (because it shows apparent condoning of the behavior). However, because those with an interdependent self-construal consider peer approval as a part of any behavioral judgment, we did not expect that peer presence would affect impulsive consumption tendencies for them.

Undergraduate business students were primed with either an independent or interdependent self-construal, and then as ostensibly part of a second study, their attitudes toward beer consumption at that moment and their state level of impulsiveness were measured. However, prior to providing their beer-drinking attitudes, half of the participants were told to imagine that they were going out with close friends to celebrate a friend's new job (peer presence) and half received no such instructions (no peer presence). As expected, independents expressed more positive beer-drinking attitudes than interdependents. However, this effect was qualified by an interaction with peer presence: The effect of self-construal was observed only for independents. In addition, mediation and mediated moderation analyses confirmed the mediating role of state impulsiveness.

## Study 3

In Study 3, we sought to provide ecological validity for our findings by linking cultural level self-construal with impulsive consumption tendencies. Country-level data on per capita beer consumption was linked with scores on the Hofstede Cultural Dimensions of individualism/collectivism. The scores on the other cultural dimensions (power distance, masculinity, uncertainty avoidance) along with per capita income, life satisfaction, and religious orientation, were used as statistical controls. As expected, level of individualism was positively correlated with country-level beer consumption, even after controlling for the other possible influences.

## Study 4

Study 4 sought to extend the findings of Study 3 by looking at the relation between sub-cultural self-construal levels (individualism/collectivism) and problem alcohol consumption (teen alcohol

drinking, heavy teen drinking, and adult binge drinking. We linked data on individualism scores from U.S. states with those states per capita beer consumption. We also included data on other possible influences. As expected, state level of individualism was positively correlated with each of the problem alcohol consumption measures.

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# Promotion Matching: The Role of Promotion Type and Self-Construal on Purchase Intentions

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## EXTENDED ABSTRACT

With promotions taking from 25 to 50% of companies' marketing budgets for consumer products and packaged goods (Ailawadi et al. 2006; Raghubir, Inman, and Grande 2004), consumers are showered with promotions each day. Yet, the effectiveness of many promotions in building sales is not clear. We examine the effectiveness of special promotions based on the context in which consumers evaluate promotions. Self-construal, defined as an individual's sense of self in relation to others, has been found to influence consumer responses to advertisements and brand information (Aaker and Lee 2001; Agrawal and Maheswaran 2005; Swaminathan, Page, and Gurhan-Canli 2007). We propose that the effect of special promotions may be moderated by self-construal.

Sales promotions may lower brand evaluations (Dodson, Tybout, and Sternthal 1978), but this finding is not consistent (Davis, Inman, and McAlister 1992). Research indicates that promotions lead to increased sales, but these sales may be short-lived as they are largely a result of brand switching and stockpiling (Gupta 1988). Promotions may also lead to customers inferring a lower quality brand, which may have long-term negative effects on the brand (Yoo et al. 2000). On the contrary, promotions may increase brand equity by increasing brand knowledge (Keller 1993; Palazón-Vidal and Delgado-Ballester 2005).

One promotion that has increased sales is that of employee pricing. After promoting automobiles using the "Employee Pricing for Everyone" tagline, General Motors' sales increased 41% for the month of June (Munoz 2005). We term these types of promotions "inclusive" promotions. Under what conditions will such inclusive promotions be more effective? Arguing the self-construal will play a role, those with an interdependent construal of self base their attitudes and behavior on the thoughts, feelings, and actions of *others* in the relationship and focus on their associations with in-group members (Markus and Kitayama 1991). Given the tendency of individuals characterized by an interdependent self-construal to focus on ingroups such as family and friends, inclusive promotions may be evaluated differentially based on one's interdependence. Specifically, we argue that interdependent consumers will have higher purchase intentions for an inclusively-framed discount than that of those with a low interdependent self-construal while interdependence will have no effect on purchase intentions for a regular discount.

Consumers may also be characterized by an independent construal of self. The independent self-construal is characterized by one's focus on individual thoughts and feelings (Markus and Kitayama 1991). We propose that an exclusively-framed promotion (i.e., birthday discount, unique customer) will target an individual's feelings of uniqueness and individuality, matching their independent self-construal. Recommending that companies remember customers' birthdays and offer them incentives, Harrington (2006) states, "Successful businesses take every opportunity to offer *unique, personalized* products and services, and using the retail promotions calendar can help you do just that." We propose that an independent self-construal will enhance the effect of exclusively-framed promotions on purchase intentions while an interdependent self-construal will enhance the effect of inclusively-framed promotions on purchase intentions.

In the first study (N=247 students), participants were exposed to either an inclusively-framed (employee) promotion or regular promotion for a young apparel retailer. They then indicated their purchase intentions as well as their chronic interdependence on a commonly used scale. Results indicated that the interaction of promotion type and interdependence is significant ($F(1, 240)=3.92$; $p<.05$). Comparing cell means, purchase intentions for those in the employee promotion condition were significantly greater for those with high interdependence than for those with low interdependence ($M_{High}=4.69$ vs. $M_{Low}=3.94$; $t=2.52$, $p<.05$). In contrast, for those in the regular promotion condition, purchase intentions were not significantly different for those with high interdependence and those with low interdependence ($M_{High}=4.17$ vs. $M_{Low}=4.22$; $t=0.20$, $ns$).

In the second study, participants (N=240 adult consumer panelists) are exposed to one of four conditions in a 2 (Promotion: Employee vs. Birthday) X 2 (Self-construal: Interdependent vs. Independent (manipulated)) between-subjects design. The product category was athletic apparel. A manipulation check was conducted to ensure that the promotions were viewed as inclusively- or exclusively-framed, as intended. Importantly, the analysis reveals that interaction of promotion type and self-construal is significant ($F(1, 239)=7.54$; $p<.01$), controlling for pre-purchase intentions. Specifically, for those in the employee promotion condition, purchase intentions were significantly greater for those in the interdependent prime than those in the independent prime ($M_{Inter}=5.55$ vs. $M_{Indep}=5.24$; $t=1.96$, $p=.05$). In contrast, for those in the birthday promotion condition, purchase intentions were significantly greater for those in the independent prime than those in the interdependent prime ($M_{Indep}=5.27$ vs. $M_{Inter}=5.59$; $t=1.98$, $p<.05$).

These findings indicate that when promotions emphasize inclusiveness with the brand, purchase intentions may increase for interdependent consumers. In contrast, promotions emphasizing exclusiveness can significantly increase purchase intentions, but this effect is limited to independent self-construal conditions. While marketing managers are constantly offering promotions to increase sales and market leadership, this research examines how special promotions (i.e., inclusively- and exclusively-framed) can have positive impacts on the brand via purchase intentions when appropriately matched with consumers' self-construal.

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# A Social Approach to Voter Vengeance

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## EXTENDED ABSTRACT

The desire for vengeance has been defined as "the intense, compelling wish or intention to get even, right a wrong, or avenge an injury" (Gabriel & Monaco, 1994). Anecdotal examples of vengeful behavior are abundant in the political arena. Voters may approach an election with vengeful feelings toward a candidate for a variety of reasons. In the current research, we explore how vengeance might prevail when, for example, voting processes consist of multiple rounds of elections. This situation occurs in presidential elections involving primaries, and in pre-screenings based on geographical or departmental criteria. Voters who are upset because of the defeat their favored candidate suffers in an early round might be driven by a desire to get even with the winning primary candidate running in a subsequent round. The purpose of the present research is to investigate the vengeance phenomenon in electoral contexts, and to develop a broadly applicable theoretical framework for understanding the conditions under which individuals seek revenge with their choices. Although we examine aspects of this theory in electoral contexts, the theory has potential applications across several other consumption domains.

What are the factors that lead to the desire for vengeance? Researchers in psychology, sociology, and philosophy converge in supporting damage to self-identity as the main cause of vengeance seeking behavior (Bies and Tripp 1996; Gould, 2000; McCullough et al., 2001; Waldmann, 2001). We draw on the social identity theory to argue that a primary motive for exacting revenge is to restore one's self-identity. Social identity theory states that in addition to personal identity, the self-concept is also composed of a social identity (Tajfel & Turner, 1985). While personal identity consists of idiosyncratic characteristics, social identity consists of group classifications or memberships such as gender, race, political parties, and clubs. As a result of social identification, individuals perceive themselves as belonging to particular groups. A defeat suffered by a group with which one feels strongly affiliated, such as the defeat of one's favorite sports team or political candidate, can be experienced as damage to one's own self-identity (Aronson & Cope, 1968). If one's affiliation with the defeated entity is sufficiently salient, then the damage to one's self identity may result in a desire to seek revenge on the perpetrator inflicting the damage.

We propose that there are two forms of executing vengeance in an electoral context: (1) voting *against* a candidate, and (2) being delighted when the winning candidate (i.e., the perpetrator) makes serious errors of judgment as a person in power. We argue that in a second round of elections, for example, voters may vote for a less-qualified candidate in order to get even with a "perpetrator" candidate, that is, someone who defeated the favored candidate in a previous or preliminary round of elections. Acting suboptimally in order to get even is not uncommon and has been reported by researchers in organization behavior, behavioral economics and consumer research (see, e.g., Elster 1998; Folkes 1984; Lowenstein 2000; Nasr and Morrin (2003). This is mainly due to the fact that individuals are motivated to maintain preference consistency over time in order to reduce the experience of negative affect (Wells & Iyengar, 2005). Similarly, the main reason for the positive affect when the perpetrator candidate performs poorly while in office is the striving for cognitive consistency (Brehm & Cohen, 1962). Errors by the perpetrator tend to make voters feel that they did the right thing by not voting for the perpetrator candidate and, hence, reduce their cognitive dissonance (Festinger, 1957; Hunt, 1970).

We also propose that the degree of salience of the voter's affiliation with a perpetrator candidate can play a central role in attenuating vengeful behavior in voting contexts. There are several types of situations in which a person can feel a salient affiliation with the perpetrator. For instance, although George W. Bush had beaten John McCain in the Republican primaries for the 2000 presidency, it is unlikely that supporters of John McCain who strongly associated themselves with the Republican party voted for the opposing Democrat, Al Gore, for the sake of getting even with George W. Bush, even though they might have continued to harbor feelings of vengeance toward Bush. A salient affiliation with the Republican political party is expected in this case to override, in behavioral terms, the previously salient affiliations with individual candidates. We argue that for an affiliation to influence voting behavior, it needs to be salient. Otherwise, it will have little impact on one's judgment and behavior (Reed, 2002).

Two studies are conducted to test the hypotheses. In both studies, we use hypothetical scenarios in which students are involved in an on-campus two-round voting procedure to elect one student to a university-wide committee. Findings of the first study confirm our expectations that voters can exhibit a desire for vengeance against a political candidate and that some of them, as a result, act vengefully by voting for a less qualified candidate in a second round of voting. Study 1 also shows how damage to self-identity mediates this process, and how vengeful voters feel delight when the elected perpetrator candidate later performs poorly while in office. Study 2 utilizes racial affiliations to show the moderating effect of the salience of affiliation with the perpetrator variable on vengeful voting behavior.

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# Anti-Consumers in Action: Coping with the Challenges and Consequences of 'Drinking Sensibly'

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## EXTENDED ABSTRACT

### Introduction

A major contemporary challenge facing governments and health professionals is that of promoting sustainable and healthy approaches to alcohol consumption in a context where excessive alcohol consumption is the dominant trend (Plant and Plant, 2006).

The prevalence of excessive alcohol consumption—or binge drinking—is an issue within student populations globally and particularly within the UK (Wechsler, Lee, Kuo, Seibring, Nelson and Lee, 2002; Kuntsche, Rehm and Gmel, 2004; Banister and Piacentini, 2006; D'Alessio, Baiocco and Laghi, 2006), where the dominant social culture is one where excessive alcohol consumption is the accepted norm and practice (Treise, Wolburg and Otnes, 1997; Banister and Piacentini, 2006). This study examines the challenges and consequences faced by students in the United Kingdom who resist the prevailing norms and practices by choosing to consume little or no alcohol.

### Literature

Studies have considered the circumstances around, and motivations for, excessive alcohol consumption with young people and students (e.g. Gofton, 1990; Darian, 1993; Liu and Kaplan, 1996; Webb, Ashton, Kelly and Kamal, 1996; Pavis et al., 1997; Thom and Francome, 2001; Gill 2002; Beccaria and Sande 2003). Recent research has focused on the unique position of alcohol in constructing and facilitating the social worlds of young people and students (e.g. Treise et al., 1997; Measham, 2004; Banister and Piacentini, 2006). Within the student context, non-participation in the prevailing alcohol culture could prevent full engagement with student social life (Nairn, Higgins, Thompson, Anderson and Fu, 2006), providing a source of tension for those choosing *not* to consume or to *consume comparatively little* alcohol. This research focuses on students who adopt what Nairn et al. (2006) term 'alternative subject positions', who become positioned as anti-consumers because of their opposition to the norms that predominate. This paper draws parallels with anti-consumption behavior (specifically the theories around voluntary simplicity and brand avoidance), in order to develop understanding of the consequences of the decision to 'opt out' of the dominant norm. The challenge for these consumers involves negotiating the tensions implicit in the assumption of a self-identification as an anti-consumer of alcohol whilst maintaining an acceptable social identity, as part of the broader student culture. Coping theory provides a means to examine the ways that non-drinkers manage these tensions, and this paper examines the coping strategies deployed in response to this tension (Folkman, 1986; Lazarus, 1991).

### Research Design

One-to-one in-depth interviews were conducted, with undergraduate students from one research site. All participants identified themselves as 'not drinking alcohol', which represented a behavioral continuum from absolute non-consumption through to light/occasional consumption. A semi-structured interview guide was used to ensure the two researchers included similar topics, but the interviews were phenomenologically informed (Thompson, Locander and Pollio, 1989). Interview lasted between 45 and 89 minutes, and all were digitally recorded and transcribed. Both authors undertook the analysis, first separately and independently, followed by a phase of sharing to explore alternative explanations. Transcript analysis consisted of reading and re-reading, noting patterns and themes in a search for "patterns and recurring organizations" (Wetherall and Potter, 1988:177), accompanied by a process of categorization, abstraction, comparison and integration (Spiggle, 1994).

### Findings

There were four main categories of antecedents of anti-excessive consumption in this context [personal experience of excessive alcohol consumption with serious personal consequence(s); close personal family experience of alcoholism; religious, political or cultural reasons; and general misgivings about alcohol] and these had an effect on the perceived challenges and the ways they were managed. Participants found their position on alcohol consumption ambivalent and at times difficult, especially since their social context is anchored in a culture of excessive alcohol consumption. The main challenges they faced related to: managing new social situations; challenging the stereotypes of the non-drinker; coping with drunker others; and the roles they are expected to assume around drunken friends. A number of coping strategies were deployed to manage these challenges, and our analysis elaborates these, relating them to the antecedents of behavior.

### Conclusion

The practice of being an 'anti-consumer' in this context shared similarities with the practice of voluntary simplification. Consumers who wish to follow principles associated with voluntary simplification do not have the option of leaving the market (Kozinets, 2002); they tend to operate within the market but to their own guiding principles, hence the continuum of behaviors incorporated under the heading of voluntary simplification. The anti-consumers featured in this study could not or would not want to leave the student culture entirely. Some opted out of certain aspects of this culture, often by creating 'alternative leisure identities' (Nairn et al 2006) which did not involve alcohol. Others deployed a combination of planful problem solving coping strategies and emotion-focused strategies to manage this situation.

Implications for public policy in relation to alcohol consumption are discussed in the paper. Rather than focusing solely on discouraging excessive alcohol consumption, social marketing efforts should be directed at assisting in educating people, particularly the young, about the process of managing their choices. This study contributes primarily through identifying the various means by which anti-consumers of alcohol (i.e. non, light, responsible or occasional consumers) manage their behavior. As the findings revealed this process of managing the consequences of anti-consumption is not to be taken lightly and represents a very real issue, particularly within a culture that welcomes binge drinking.

The paper raises new questions and research directions, especially in terms of expanding research in this context to include anti-consumers as well as consumers. It would be sensible to extend this

investigation to other research sites, including young people not in education, as well as younger consumers in schools and colleges. In addition the approach adopted, that is an in-depth investigation of anti-consumers in a context where excessive consumption is a concern, could usefully apply in other social marketing contexts such as the consumption of unhealthy foods, drugs and smoking.

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# All Charity Advertisements Are Not Created Equal: Influences of Message Framing, Vividness Valence, and Number Size Framing

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## EXTENDED ABSTRACT

Framing is one of the frequent communication strategies used by marketing campaigners. Labeling a glass of water "half-empty" or "half-full" is an illustration of message framing, as each label presents only one side of the information (Martin, 1995). The way information is labeled or framed may significantly influence consumers' judgments and decisions (see Levin, Schneider and Gaeth (1998) for a review). Researchers endeavor to adopt framing concepts in public matter promotion (e.g., Iyengar and Kinder, 1987; Price and Tewksbury, 1997). Iyengar and Kinder (1987) indicate that people's knowledge and justification about public affairs might be substantially shaped by the selection and presentation of information. Charitable donation can be promoted through positively framed messages (e.g., "With your help, an unfortunate child can have an opportunity for a bright future") or negatively framed ones (e.g., "Without your help, an unfortunate child will remain living in the dark") with the same goal (i.e., donation behavior promotion). This article applies framing concepts in promoting charitable campaigns to demonstrate that message framing might not be equally persuasive in all conditions, and could be moderated by two communication format factors: vividness valence and number size framing. How should advertisers frame a message for promoting a charitable donation? Should they emphasize potential gains resulting from the donation or the negative consequences of not making the donation? Will effects of vivid presentations always be positive in framing effectiveness? How should advertisers frame the statistics regarding the charitable issue? Will different information presentations on a charitable issue influence consumer attitudes toward donation promotion and induce compliance with a request?

Child poverty, a pressing social policy issue of the 21st century in the USA and elsewhere, was adopted as charitable promotion in the present research. In Study 1, moderating roles of vividness valence and number size framing on framing effectiveness were explored in a 2 (message framing: positive vs. negative) X 2 (vividness valence: positive photograph vs. negative photograph) X 2 (statistical framing: small number size vs. large number size) factorial design. A combination of messages, photographs, and statistical framing yielded eight versions of ads. The experiment was a between-subjects design and was conducted through the Internet. Two hundred and twenty-eight adults (126 males and 102 females) participated in the experiment. Study 2 was undertaken to test the robustness of vividness valence and number size framing with different manipulations. Case stories are recognized as a popular alternative to create vividness effects (e.g., Rook, 1986 and 1987). Different from temporal framing in Study 1, number size framing was operationalized through frequency information with different sizes of numerators (e.g., Chang, 2006). An experiment of 2 (message framing: positive vs. negative) X 3 (vividness valence: positive story vs. negative story vs. neutral statement) X 2 (statistical framing: large size of numerator vs. small size of numerator) factorial design was developed. Participants consisted of 708 part-time undergraduate students (369 males and 339 females) from ten evening courses across various disciplines (i.e., language-related, business, engineering, humanity, and social work) from four large universities.

Results of the two studies support the general proposal that the sum of advertising effectiveness depends on complicated interrelationships among message framing, vividness valence, and number size framing. Applying framing in the charitable promotion business, the results show that framing a charitable message negatively leads to higher persuasion than framing it positively. The negative image seems to boost the persuasion power of negative message in the experiment, which is consistent with previous findings that negative images increase the persuasive appeals in promoting donations for animal shelters (Pratkanis and Aronson, 1992) and world hunger (Thornton et al., 1991).

In addition to message framing, vividness valence should be considered in charity advertising. A two-way interaction between vividness valence and message framing is found to act similarly in two presented formats: photographic display and story portrayal. A pictorial image corresponding to the message is shown to increase the impact of message framing, especially when both are presented negatively. A vivid story could elicit higher advertising persuasion in a framed message, which parallels the findings of Small and Loewenstein (2003) that specific victims of misfortune often draw extraordinary attention and resources. Identifiable victims communicated in a story may stimulate a more powerful response than do those of neutral description. The results of Study 1 and 2 echo what Smith and Shaffer (2000) find that vividness may undermine or enhance message effectiveness. Congruence between framing style and vividness valence could be an important contingency variable in the framing-vividness relationship.

Statistical evidence illustrating the seriousness of social issues (i.e., long temporal frame or large numerator) can be a plus in communication with the public. Illusion of large numbers over a time period could increase the salience of the promoted issue. Previous studies of the base-rate neglect focus on areas including public health communication (Yamagishi, 1997) and consumer product promotion (Chang, 2006; Wong and Kwong, 2005). In the current research, the concept is utilized in the field of social welfare promotion (e.g., charitable donation). Statistics with a large number size could enhance the influences of negativity bias, and thus facilitate the effects of negative framing. However, we find that advantageous effects of large number size may not always occur. Our experimental results show that effects of base-rate neglect may become limited when the framed message and the vivid element (i.e., photograph or story) are negative. Statistics framed with a large number size could have the exaggerating effects on the severity of the charitable issue and backfire on potential donors' intention to donate when people already see the issue pessimistically. Using statistics with a small number size can avoid such boomerang effects and maintain a balance between perceived severity and intention to help.

This article makes theoretical contributions to charity advertising, information processing, and decision-making and practice. It integrates message framing, negativity bias, vividness valence, message congruency, and base-rate neglect literature to examine the effects of framing heuristics on individuals' responses to persuasive ads promoting charitable donations. In addition to going beyond simple demonstrations of message effectiveness, the article attempts to and clarifies *when* framing effects are likely to be

observed, reversed, or eliminated with considerations of factors from pictorial display, story description, and statistical presentation. Understanding the importance of advertising framing is extended by providing evidence that information formats can affect advertising effectiveness in different ways.

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# Avoiding the Debt Trap: How Attributional Retraining Can Influence Consumers' Perceived Control Over and Behavioural Intentions Towards Debt

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## EXTENDED ABSTRACT

Personal debt has reached staggering levels among North American consumers. Recent estimates hold that Americans owe nearly 8 trillion dollars in consumer debt, which translates into 130 percent of their average disposable income (Williams 2004). Unfortunately, existing research offers little insight on effective means of helping consumers control their personal debt accumulation. This gap is addressed by the present study, which investigates the efficacy of attributional retraining as a means of altering attitudes and behavioural intentions toward debt accumulation.

Attributional retraining, as it is referred to in the psychology literature, is a situated within the literature on attribution theory. According to the principles of attribution theory, individuals are motivated to seek out explanations for outcomes that occur, particularly those that are new, unexpected, or important (Weiner 1986). The causal explanations that people generate have a direct impact on subsequent cognitions, emotions and behaviours. Weiner (1986) maintains that there are three dimensions of causal attribution: causal locus, stability, and control.

One stream within attribution research has focused on how to change maladaptive stable, uncontrollable attributions to adaptive unstable, controllable attributions that lead to better adjustments to the external environment (Luzzo, James and Luna 1996). This approach, referred to as "attributional retraining," investigates how to change the perception that outcomes are stable and uncontrollable (e.g. attributions that outcomes are caused by low ability), since such perceptions can seriously threaten achievement and motivation and may result in learned-helplessness related cognitive, motivational and affective deficits (Perry and Penner 1990). Researchers have explored whether attributional retraining can change maladaptive external control attributions to adaptive internal attributions thereby leading to better adjustments to the external environment (Luzzo, James and Luna 1996). Perceived external locus of control can become a serious threat to achievement and motivation because the maladaptive external attributions can result in learned helplessness related cognitive, motivational and affective deficits (Perry and Penner 1990). Thus, attributional retraining has focused on impacting two of the underlying causal dimensions of attributions: stability and controllability.

Attributional retraining proponents argue that by increasing the extent to which an individual believes they have volitional control over an unstable cause, it is possible to increase the extent to which they actually attain success in regards to the outcomes linked to that cause. Attributional retraining has been shown to be an effective intervention for numerous psychological and personal problems including depression (Weiner and Litman-Adizes 1980), alcoholism (Antaki and Brewin 1982), academic performance and career beliefs (Perry and Penner 1990), cumulative GPA and retention rates in university (Ruthig, Perry, Hall and Hladkyj (2004).

Study 1 was designed to investigate the effectiveness of attributional retraining on consumer perceptions of controlling debt. The results of Study 1 reveal two important findings. First, attributional retraining is an effective tool for modifying consumers' effort attributions about debt. Participants who read a news article stressing the importance of taking control of one's finances were significantly more likely to indicate that debt management requires effort than those who did not receive attributional retraining. Second, in a four week follow-up, results further reveal that attributional retraining has a significant influence on intentions to have one's credit limit increased with retraining participants being less likely to intend to take on more credit. This suggests that encouraging consumers to perceive that debt is controllable can be an effective tool in enabling them to better manage their debt.

In the second study, we were interested in the impact of source credibility and perceived ulterior motives on the effectiveness of attributional retraining. The results of this study and its four week follow up demonstrate that a financial planner, a more credible source as compared to a talk show host, was more effective in decreasing intentions towards taking on more debt or increase one's credit limit when participants are not primed with thoughts of ulterior motives. Unexpectedly, the main effect of the source on the dependent variables was not entirely as expected. We speculate that because financial planners are perceived both as having greater expertise *and* as having more ulterior motives, the effects of these two source characteristics may effectively have tended to nullify one another in Study 2a. In Study 2b, it appears that the impact of source expertise was significantly greater in the absence of suspected ulterior motives.

This research makes both practical and theoretical contributions to the literature. In regards to the societal problem of growing indebtedness, we show that attributional retraining is an effective tool in altering consumers' attributions about their own ability to curb debt as well as their behavioural intentions toward debt accumulation. Furthermore, our findings reveal that the effects of this retraining have the potential to be enduring, given that our results indicate a carry-over effect four weeks later. Our theoretical contributions are twofold. First, we add to the extant literature on attributional retraining by demonstrating that the source of the message plays a role in determining the effectiveness of attributional retraining. Second, we add to the existing understandings of how source credibility may impact persuasion through the illustration that perceptions of ulterior motives of credible sources diminishes the power attributional retraining has on modifying debt control attributions and debt accumulation behavioural intentions.

Future research is required to explore whether the attributional retraining intervention impacts actual debt accumulation behaviour in addition to attitudes and behavioural intentions. Additional research is also warranted to examine whether attributional retraining would be of particular benefit for individuals who are members of at-risk populations. Research is also warranted on the implications of attributional retraining for other consumer behaviors that may harm individuals. For example, retraining might be effective in changing attributions and behavioral intentions to engage in binge eating (Faber, Christenson, DeZawana and Mitchell 1990) or addictive behaviours (Hirschmann 1992). Given that attributional retraining has been shown to be effective in domains such as depression (Weiner and Litman-Adizes 1980) and alcoholism (Antaki and Brewin 1982), it is not farfetched to believe such retraining could have significant benefits for helping consumer avoid behaviors that adversely affect their quality of life.

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# NUKI Emotion Measurement Instrument: Development of a Non-Verbal Self-Report Emotion Measurement Instrument for Children

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## EXTENDED ABSTRACT

In contrast to research on children's processing and understanding of advertising, research on the influence of emotions on children's response to advertising is still in its infancy. Emotions seem, however, to play a key role in shaping children's response to ads. The scarcity of research may partially result from the lack of convenient instruments for measuring young kids' emotions. Measuring emotions is a challenge, even more so for children. Verbal scales measuring emotions have numerous drawbacks (e.g., intro- and retrospection issues) and need to be adapted to children characteristics (e.g., a child's conversational norms). Additionally, 5-12-year-olds show a tendency to respond at the extremes when rating their emotions using self-report Likert scales (Chambers and Johnston, 2002). Thus, verbal scales are not a very good option for measuring children's emotions. Coding facial expressions or physiological measures are potential alternatives; however they are costly, time-consuming, and constraining.

The purpose of this paper is to develop and validate a measurement instrument of emotions on 8-11-year-olds. It will consist of a set of pictograms–each representing the facial and bodily expression of a basic emotion (surprise, joy, sadness, disgust, fear, and anger)–coupled with a 4-points scale indicating the intensity (as recommended by Derbaix and Brée (1997)). Numerous studies have shown that basic emotions are universally recognized (e.g., Ekman et al., 1987) and that children's ability to decode facial expressions is acquired before the age of 2 (e.g., Izard, 1994). [Note: faces depicting human pain expressions are the most popular approach to eliciting children's self-reports of pain, for example (Chambers et al, 1999)].

The advantage of such non-verbal self-report instrument is that it measures the child's subjective experience of the emotion without requiring him/her to verbalize his/her emotions and think a lot; it is fast and very intuitive. Moreover, this type of measurement instrument behaves as a non-directive probe, which–in contrast to direct questioning–avoids probing-induced demand effects (Brucks et al, 1988). Finally, the risk of confusion or information overload is limited, as only the basic six emotions are measured.

There were 4 stages in developing and validating the new measurement instrument.

## STAGE 1-Creation of the cartoon puppets

Guidelines provided in the literature (e.g., Acuff, 1997; Calder et al, 1997; Etcoff and Magee, 1992) were followed to create a character that would be understandable and appealing for our target group and that would allow an unambiguous portrayal of the basic emotions. This resulted in NUKI, a husky dog. A couple of sketches of NUKI were pre-tested with a panel of 8-11-year-olds. Then, the works by Darwin (1872), Ekman and Friesen (1975), and Desmet (2002) describing the facial and behavioral characteristics of emotions were used to draw the cartoons representing the different emotions. For each emotion, we drew 2 to 3 variations, i.e., 13 pictograms.

## STAGE 2-Discriminant and convergent validity

To select and validate one pictogram per emotion that best portrays that particular emotion, we used a methodology similar to that of Rosenberg and Ekman (1995)'s. Six short emotion-stories (one per basic emotion) were created by our children's panel. Then

65 8-to-11-year-olds were asked to select–among the 13 cartoons–the one that best represented the emotion portrayed in each story. Except for surprise, all stories were predominantly matched with a pictogram portraying the correct emotion. When children picked a "wrong" pictogram, their choice was spread over several different emotions. For surprise, we had our children's panel rewrite a new story and tested it with 20 children. All but one picked one of the pictograms from the 'surprise' category. As a final validation step, five 8-11-years olds (boys and girls) were asked to select–among the six cartoons (one per emotion) most often selected–the one that best represented the emotion portrayed in each of the six stories. All children matched the stories with the pictogram portraying the correct emotion. Then, we designed the final measurement instrument–NUKI_EMI–with the six pictograms. For each NUKI puppet, children have to circle 'NO' if they don't feel at all like the puppet, 'yes' if they feel a little like it, 'YES' if they feel quite a bit like it, and 'YES' if they feel a lot like it.

## STAGE 3-Pre-test of NUKI_EMI and commercials

To further validate NUKI_EMI, we needed to show that it can measure emotions experienced by children. For this purpose, commercials that would elicit the different basic emotions with enough variance and be appealing and understandable for the target group were selected, and evaluated by 4 judges. Then, a panel of 8 8-11-year-olds had to fill in NUKI_EMI for each commercial. The results showed that the entire palette of emotions was experienced by the children, as predicted by the judges. All children found NUKI_EMI appealing, easy to fill in, and very clear.

## STAGE 4 –Reliability & Nomological/predictive validity

As a last step, we needed to show that the data about emotions collected with the instrument display expected relationships with attitudes toward that ad and brand (Aad and Ab) documented in previous studies (i.e., emotions and elements of execution should be good predictors of Aad and should also influence Ab but this influence should be weaker than on Aad; arguments should not have much influence on Aad (especially) and Ab (Derbaix and Brée, 1997; Pecheux and Derbaix, 2002)).

Four strings of commercials embedded in a funny Tom & Jerry cartoon were created. For each string, the first and the last commercials were target commercials. Each string included the 4 pre-tested commercials and each of the 4 commercials was once first and once last in the commercials-break. A commercial eliciting joy was placed in all strings before the second target ad due to its similarity with the Tom & Jerry cartoon in terms of emotion elicited.

Two hundred and sixty-two 8-to-11-year-olds participated in the study, providing a total of 512 valid questionnaires. Data were collected in class, randomly assigned to the 4 strings. After a training session, children watched the video and filled in the questionnaires after each target ad. The questionnaire including NUKI_EMI and measures of Aad (Derbaix et al., 1999), elements of execution and arguments (Derbaix and Bree, 1997), and Ab (Pecheux and Derbaix, 1999).

MANOVA analyses showed that emotion scores for each ad did not differ for the last and first position, showing the reliability of the instrument. Furthermore, emotions correlated with Aad and Ab. Regression analyses further showed that, for most commercials, the

significant explanatory variables for Aad were a combination of one or several emotions with elements of execution; the arguments did not have any significant influence on Aad. Moreover, the percentage of variance of Ab explained by emotions and execution elements was much lower than for Aad and arguments did not systematically influence Ab. Finally, the influence of emotions on Ab was not fully mediated by Aad. These results corroborate the findings of previous studies.

### Conclusion

This study provides a valid and reliable instrument for measuring joy, surprise, anger, fear, sadness, and disgust, that is suitable to 8-11-year-olds, easy-to-use, not costly, and can be used in different disciplines and in an international context without need of translations/back-translations.

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# The Short Term Stability of Response Styles

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## EXTENDED ABSTRACT

Previous research has shown that the validity of consumer research using self-report agree-disagree items is threathened by bias due to response styles, especially acquiescence response style (ARS) and extreme response style (ERS). The impact of ARS and ERS, however, depends on their stability over the course of a questionnaire. Consider the following three scenarios. (1) If ARS and ERS are completely unstable, they reduce to random error. (2) If they are highly consistent across item sets in a questionnaire, they have high impact, but are easy to measure and hence to correct for. (3) Finally, if ARS and ERS are partly stable, partly unstable over the course of a questionnaire, they can be expected to have an important but local impact, while being hard to measure.

In the literature, different alternative hypotheses on response style (in)stability circulate. A methodical evaluation of these alternative hypotheses is called for. Therefore, nine models were formulated representing the relation between response styles in *k* sets of items that follow one another in a single questionnaire but that are not related in terms of content. For each item set, a response style indicator can be computed for ARS and ERS, resulting in *k* ARS indicators and *k* ERS indicators.

The proposed models for the *k* response style indicators vary on two dimensions. First, the response style indicators may have loadings on a common factor that are (1) estimated freely for each indicator, (2) equal across item sets (tau equivalent), or (3) zero (there is no common factor). Second, subsequent indicators may be linked by means of an autoregressive effect that is (1) freely estimated for each pair of subsequent indicators, (2) equal across pairs (time invariant), or (3) zero (there is no autoregressive effect).

The models were fitted to data reported by Hui and Triandis (1985) in support of response style instability, as well as to a data set that was collected by means of a specifically designed questionnaire, which consisted of a random sample of items taken from scale inventories in marketing and social psychology. Model-data fit was evaluated in terms of RMSEA, close fit and BIC.

It was found that response style indicators based on item sets in the same questionnaire share a strong common factor. This finding provides convincing evidence against the claim that response styles are completely unstable, irrelevant (an apparently common belief) or even non-existing.

Though less outspoken, there also was evidence of an autoregressive effect, indicating that there is a local component to response style variance in addition to the stable variance captured by the common factor. The model that makes the optimal trade-off between parsimony and fit (and has the lowest BIC) uses only two parameters (in addition to the unique variances) to capture the structure underlying response style variance: one factor loading (the model posits tau equivalence) and one autoregressive coefficient (which is time invariant).

Based on the results, the following approach is recommended for consumer research. When designing a questionnaire, random sets of items should be drawn from the same item universe (e.g., the universe of marketing items) as the substantial items in the study. These random items, grouped in four to five item sets, should be included dispersed throughout the questionnaire, so that they can be used as indicators for latent ARS and ERS factors. Using multiple indicators, ARS and ERS can be modeled as latent variables to be used as control variables in the model(s) of interest. If researchers want to use only one set of items to create one response style indicator, for example using the ERS scale by Greenleaf (1992), it is recommended to include it in the questionnaire right before the scale of interest. However, the use of multiple response style indicators based on randomly sampled items is preferred. Such procedure has not been implemented yet to measure response styles, though it offers important benefits. First, it allows for more thorough model comparisons than have been common in the context of response styles: the issue of (in)stability cannot be addressed by coefficients of internal consistency, split-half correlations or visual inspection of correlation matrices. Second, it allows for further evaluation of measurement models in terms of discriminant and convergent validity as well as the assessment of measurement invariance across different groups of respondents, like different modes of data collection, cultural groups, etc. Further, the use of random items makes the response style measure applicable to all other items taken from the same item universe rather than risking content domain specificity. Also, modeling response styles by means of several indicators allows for unique variance in the item sets. Finally, the use of several indicators enhances stability of the response style model.

To conclude, ARS and ERS appear to have causes that are partly but not fully stable. Modeling the response styles by means of multiple indicators that share a common factor (with tau equivalence), complemented with a time invariant autoregressive effect, provides an important tool for measurement and correction of response styles in consumer research.

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# Consumer Emotional Intelligence: Conceptualization, Measurement, and the Prediction of Consumer Decision Making

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## EXTENDED ABSTRACT

Despite the importance of emotion in decision making (e.g., Gohm and Clore 2002; Luce 1998; Pham 1998; Ruth 2001), research has yet to fully understand how consumers' *use* emotional information to make effective decisions. A growing body of research continues to focus on the emotions present in consumption situations, however a better understanding of emotional processing abilities can have important effects on consumer performance outcomes. The current research focuses on emotional intelligence in the consumer domain in light of past research focusing solely on general emotional intelligence. Consumer emotional intelligence is defined here as a person's ability to use emotional information to achieve a desired consumer outcome, comprised as a set of first-order emotional abilities that allow individuals to recognize the meanings of emotional patterns that underlie consumer decision making and to reason and solve problems on the basis of them (Mayer and Salovey 1997). A better understanding of emotional ability can have considerable value in extending our knowledge of consumer behavior. For example, it can provide answers to questions such as; how does emotional processing influence purchase decisions; which decisions do high vs. low EI consumers more readily make; how might EI influence relationships between key consumer variables such as impulsivity and purchase intention? Additionally, with this knowledge of emotional ability, we may be able to identify those consumer's who make the highest (and lowest) quality consumer decisions. For instance, consumers with high levels of nutrition knowledge who lack the emotional ability to understand which emotions are important and how to manage those emotions toward unhealthy eating, are likely to make poor quality decisions. Understanding these emotional deficiencies can provide a means to subsequently improve the quality of consumption decisions.

In this research, we develop and validate a measure of emotional intelligence (the Consumer Emotional Intelligence Scale—CEIS) in hopes that these and other consumer issues might be thoroughly examined. In the next sections, we provide an overview of emotional intelligence (EI), ability-based models of EI, and the four dimension structure underlying this model, along with a rationale for how the consumer domain provides a unique context in which domain-specific EI measurement is needed. Data from studies 1 and 2 was used to select items based on corrected item-to-total correlations. Study 3 data is subjected to confirmatory factor analysis to provide evidence of the factor structure, scale reliability, and discriminant validity of the dimensions. Evidence is provided in study 4 for construct validation in a food choice context.

The general nature of the MSCEIT, along with the length, cost of administration, and the difficulty of adding follow-up instruments and/or items, adds to the contribution of the newly developed CEIS which provides an effective and psychometrically sound means of assessing emotional ability in the consumer context. Understanding the role of emotional ability could lead to a variety of favorable outcomes including a richer knowledge of how consumers think and feel when making a variety of decisions including the selection of foods, restaurants, and products, and when interacting with other consumers. Further, understanding consumer emotional ability can lead to consumers making higher quality decisions related to their health and to product choices that might facilitate or be detrimental to health. A summary of our research findings are provided next.

Findings regarding the development and assessment of a consumer EI scale called the CEIS were detailed in this paper. It is important to note that this instrument is not intended as a replacement for more general measures of emotional ability, but rather as a more domain-specific instrument that can be used to assess consumer outcomes. The CEIS was created and compared with the leading instrument of EI in the psychological literature called the MSCEIT (Mayer et al. 2003). Both instruments moderately correlated, suggesting that both are measures of EI, although different enough to support the domain-specific utility of the CEIS. After a series of tests confirmed the scale's structure and yielded acceptable reliability, the CEIS's validity was assessed in several additional studies. In study 1, the CEIS was found to display adequate nomological validity in predicting compulsive consumption. Findings from study 2 indicated that the CEIS successfully predicted consumer performance better than MSCEIT for this consumer food choice task. These results provide further validity support for the CEIS. In addition, two alternative explanations were ruled out in study 2. We tested for effects across the order of administration and found no evidence of bias. Further, we examined the goal level of consumers to insure that respondent's decision making on the performance task was not biased by their intentions to select foods for reasons other than maintaining a healthy diet. Findings in study 4 indicated that emotional ability predicts consumer performance beyond the effects of cognitive ability, supporting the importance of the emotional ability construct in consumer behavior and the nomological validity of the CEIS.

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# Measurement Invariance Assessment in Cross-National Marketing Research: A Status Quo Analysis of its Application

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## EXTENDED ABSTRACT

The world has continued to shrink in respond to the globalization process. Echoing this trend, an increasing number of studies have examined cross-national marketing topics. Although such research can provide valuable insights for both academics and practitioners, several scholars have emphasized the importance of minimizing the possibility of underlying biases in cross-national research due to collecting data in multiple countries (e.g., Van Herk, Poortinga and Verhallen 2005; Craig and Douglas 2000; Steenkamp and Baumgartner 1998; Mullen 1995).

Several scholars have argued that in order to identify and control for these underlying biases in cross-national data, researchers need to establish cross-national equivalence before hypotheses testing (Hui and Triandis 1985; Sekaran 1983; Singh 1995; Van de Vijver and Leung 1997). Responding to these calls, several statistical diagnostic approaches have been recently proposed to assess measurement invariance (MI) using multiple-group confirmatory factor analysis (CFA) (Steenkamp and Baumgartner 1998; Mullen 1995; Myer et al. 2000; Singh 1995). In particular, Steenkamp and Baumgartner (1998) offer a systematic sequence of tests to assess MI. Their suggested procedure includes an investigation of configural invariance, metric invariance, scalar invariance, factor covariance invariance, factor variance invariance, and error variance invariance. In addition to offering a comprehensive step-wise procedure to assess MI, Steenkamp and Baumgartner (1998) emphasize the need to match the level of invariance with the research purpose. Specifically, they argue that: (1) full or partial configural invariance is sufficient if the research purpose is to explore the basic structure of the construct cross-nationally; (2) full or partial metric and scalar invariance needs to be established if the researchers intend to compare means from different countries; (3) full or partial metric invariance is needed if the researchers intend to build a nomological network of the constructs without comparing any standardized measurements; and (4) full or partial factor invariance is required in addition to metric invariance if researchers want to compare standardized measurements of association (e.g., correlation coefficient). It appears that, to date, the multi-group CFA is one of the most valuable and valid diagnostic tools for evaluating MI (Myers et al. 2000).

Given such repeated calls and descriptions of ways to conduct invariance tests, questions of how frequently and accurately these tests are being conducted in cross-national marketing research appear important to answer. Addressing these questions, the present study analyzes the use, misuse or non-use of MI of 243 cross-nationally focused papers published in 15 top marketing journals from 2000 to 2005. The results indicated a steady growth of published international marketing research and an increasing trend of assessing MI. While this trend is encouraging, only 28% of the articles reviewed were found to assess MI. Furthermore, of the articles that did assess MI, more than 25% did so insufficiently. The results revealed the slow adoption process of MI technique.

The extent of MI assessment varies depending upon different journals. The Journal of Academy of Marketing Science (JAMS) ranks as first with 100% of cross-national articles from 2000 to 2005 testing for MI. Although there were only 4 international articles from JAMS, it appears that the journal editors may have placed importance on validation of invariance in studies using cross-national data. Among the journals that emphasize international research, the International Journal of Research in Marketing (IJRM) has the highest percentage of papers (57%) that assess MI. The Journal of International Marketing (JIM) is second with 48%. The lowest percentages of MI assessment in cross-national articles tend to be those that publish relatively few international papers, including the Journal of Marketing Research (0%) and the Journal of Consumer Research (11%). However, even among those journals that do publish relatively more international studies, several have low percentages of MI assessment, such as the Journal of International Business Studies (JIBS) with only 20% use of MI assessment.

In the attempt to examine possible reasons underlying the slow adoption process, we identified two possible reasons. First, the multi-group analysis may prove daunting when data from a large number of countries have been collected (Baumgartner 2004). Multi-group CFA has sample size requirements (Bagozzi and Yi 1989; Bollen 1989; Myers et al. 2000). Hence, obtaining sufficient numbers of respondents in each country site may prove problematic, leading to poor model fit. Second, studies using single-item measures cannot be tested for MI using multi-group CFA (Mullen 1995). Supporting our prediction, we found that the likelihood of using CFA approaches varied significantly depending on the number of countries investigated. Among 21 studies that collected data in more than 10 countries, only one assessed MI using CFA. Further, our analysis identified 7 studies that used single-item measures. In these studies, MI could not and was not assessed using multiple-groups CFA.

In sum, our analysis revealed a somewhat surprising reality—the limited use of existing MI assessment techniques (multi-group CFA and others) in cross-national marketing research. Increasing confidence in cross-national marketing research will require much effort on the part of researchers, conference organizers, reviewers and editors. Yet, given the importance of such theory to effective global strategy, the extra effort required to make MI assessment standard practice will surely yield returns that far exceed the initial investment.

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# Background Goals in the Foreground: The Overriding Effect of Nonconscious Goals on Consumer Choice

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## EXTENDED ABSTRACT

Goal systems theory defines goals as mental representations that are interconnected with their means of attainment and with alternative goals. Depending on their access to conscious awareness, goals can be identified as either focal goals or background goals. Focal goals refer to goals that one is consciously and deliberately pursuing, while background goals are those whose presence one is not consciously aware of (Kruglanski, Shah, Fishbach, Friedman, Chun, and Sleeth-Keppler 2002). Thus far, the research on background goals has been mainly pursued under the context of multifinality, which refers to the notion of a single means of attainment satisfying multiple goals. According to this principle, background goals are thought to influence choice only when the focal goal is satisfied. For example, in one study, individuals were asked to choose the more durable fabric patch (focal goal) between two alternatives that varied in color but were, in fact, identical in terms of quality. Choice was dependent on whether the fabric patch matched participants' school color (background goal) as opposed to mere chance. This result, however, was contingent on the fact that both patches were equally durable (Chun and Kruglanski 2005).

The present study investigates whether a background goal can affect choice in a situation where the focal goal is *not* equally satisfied by the alternatives available. We present participants with a binary choice set where the inferior alternative is in favor of a background goal. When a nonconscious, background goal is primed, we argue that it can override a concurrent focal goal such that the majority of participants choose this alternative. The growing literature on nonconscious goal pursuit offers ground for this possibility (e.g., Bargh 1990; Bargh and Chartrand 1999). Of importance, from a focal goal perspective, the predicted choice behavior of participants is suboptimal in that the unchosen alternative satisfies their focal goal better. This would imply that the effect of background goals is *not always* conditional on the successful attainment of the focal goal, as the multifinality principle of goal systems theory suggests.

Although we predicted participants would show behavior consistent with their background goal, we nevertheless expected their reasons for choice would be based on their focal goal. This is because background goals are, by definition, nonconscious, and thus individuals will not likely be aware of their influence. Similar reports have been made in previous research (e.g., Nisbett and Wilson 1977). Recent studies with split-brain patients have also shown that the dissociation between actual behavior and its causal interpretation can be traced to different hemispheres, with the left hemisphere possessing a unique capacity to interpret behavior elicited by a disconnected right hemisphere (Gazzaniga 1995).

Ninety-four undergraduate students from a Korean university were recruited to participate in our study in exchange for partial course credit. They participated in three disguised studies, the first being a priming task where they were randomly assigned to either an experimental condition, for which a background goal was induced, or a control condition where there was no background goal. Participants were given a 15-item version of the scrambled sentence test (Chartrand and Bargh 1996) where each of the 15 items contained a health-related word (e.g., health, physique, strong, vitality) in the experimental condition. In the control condition, these words were replaced with 15 different words unrelated to health (e.g., blue, intelligence, dinner). All participants were then given a 5-minute filler task in which they had to solve a set of math problems that consisted of three simple questions. The purpose of this delay was based on past research which has shown that priming effects for motivational constructs should persist after a brief period of time, whereas those for perceptual constructs are likely to fade away (Bargh, Gollwitzer, Lee-Chai, Barndollar, and Trötschel 2001). After the filler task, participants were given a final choice task where they had to choose between two different versions of iced tea. In line with the cover story that this was a taste test for a local beverage company, the experimenter explicitly gave participants a focal goal of "choosing the better tasting drink." Unbeknownst to the participants, one of the drinks contained 100mL of an existing market product, while the other contained 95mL of the same product and 5mL of drinking water. The two samples were labeled differently with the latter drink signaling "health." The labels were pretested in terms of their attractiveness with fifty students from the same population as those in the main experiment. Individuals showed no significant difference in their attitudes toward the two labels. A subgroup of these individuals was also given a blind taste test where preference for the taste of the pure iced tea was confirmed.

Results of a chi-square test revealed that the drink choice of participants was significantly different between the control and the experimental conditions. In the absence of a background goal, the majority of participants (59.1 percent) chose the pure iced tea over the diluted version. In the experimental condition where participants were induced with a background goal of being healthy, the choice pattern reversed with the majority (62 percent) choosing the diluted iced tea despite an explicit reminder to choose the better tasting alternative. In line with our prediction, participants in both the experimental and the control conditions gave "taste" as their reason for choice. Responses in the experimental condition included those that described the diluted iced tea as having a "milder taste," "sweeter flavor" and "refreshing finish," suggesting that the influence of the background goal was indeed beyond the conscious awareness of our participants.

The results of our study can be generalized to more real-life scenarios, where in many cases consumers consciously intend to focus on the performance of a product but nevertheless purchase products that in fact are inefficient along that dimension. We argue their purchases are often driven by background goals whose presence goes undetected by the consumer. An important avenue for future research is to identify the specific conditions that give rise to the dominance of a background goal and a focal goal respectively.

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# Is Failure a Blessing or a Curse? Behavioral Goal Violation, Cognitive Dissonance and Consumer Welfare

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## EXTENDED ABSTRACT

Consumers frequently fail to perform behaviors such as recycling, conserving energy, and eating healthy that would enhance their personal wellbeing or the welfare of greater society. Currently, we do not have a good conceptual understanding regarding the direction and scale of consequences associated with failing to achieve such behavioral goals. The present research proposes an integrative theoretical framework to investigate the effect of behavioral failures on consumers' pursuit of welfare-enhancing goals. As a contribution to the extant literature, we propose that cognitive dissonance is a primary underlying mechanism for observed effects of subgoal failures. Our research also takes into account the hierarchical structure of goals (Bagozzi and Dholakia 1999) with a particular focus on the relationship between subgoal failures and subsequent changes to the commitment to an endgoal.

Extant research has documented predominantly negative effects of behavioral failures on task performance (Shah and Kruglanski 2002), emotions (Cron et al. 2005), subsequent goal setting (Ilies and Judge 2005), self-efficacy (Bandura 1989), and persistence at a similar behavior (Soman and Cheema 2004). A limited number of studies have also suggested some potential moderators for this negative main effect (e.g., Kernis, Brockner, and Frankel 1989; Fishbach, Dhar, and Zhang 2006). However, no research to date has attempted to provide a unifying theoretical framework to account for all these observed effects.

Based on the theory of cognitive dissonance (Festinger 1957), we predict that subgoal failure will have negative effects on felt psychological discomfort as well as on the commitment to an endgoal as compared to subgoal accomplishment. On average, people will attempt to reduce dissonance by trivializing the overall endgoal and thus, will adjust their level of commitment to the endgoal downward. We further predict that failing a subgoal will have an indirect negative effect on subsequent subgoal setting through downgrading endgoal commitment. Notably, we contend that these negative effects will be reversed for some people. Based on the self-concept view of dissonance (Aronson 1968), we hypothesize that self-concordance of an endgoal, which is defined as "the degree to which stated goals express enduring interests and values" (Sheldon and Elliot 1999), will serve as a mitigator of the detrimental effects of initial failure. Specifically, self-concordance is expected to increase the endgoal commitment of people experiencing a subgoal failure.

These predictions are tested via an experiment in the context of pro-environmental goals. We conceptualize the focal endgoal as "helping to create a healthy, clean, and sustainable environment" and the subgoal as the individual performance on an environmental IQ test. One hundred and six study participants were randomly assigned to either success or failure feedback condition. Our major dependent variable was goal commitment which was assessed with regards to the endgoal description given above. Subsequent subgoal setting was operationalized as the number of hours participants were willing to allocate to recycling and volunteering activities in a campus-wide environmental awareness week.

We find empirical support for our predictions, indicating that cognitive dissonance is indeed a plausible theoretical base to explain the effects of subgoal failures. Participants receiving failure feedback on the environmental IQ test reported higher levels of psychological discomfort and lower levels of commitment to the endgoal than those receiving success feedback. As expected, this negative effect on endgoal commitment indirectly reflected on the number of hours allocated to environmental activities. In the failure feedback condition, self-concordance of the environmental endgoal had a positive direct effect on goal commitment and a positive indirect effect on subsequent goal setting, whereas in the success feedback condition this effect was non-significant.

The current research makes a notable contribution to the goal literature by introducing a compelling yet parsimonious theoretical framework, which may account for the extant findings on goal failures as well as generate new research hypotheses and propose fruitful directions for future research. Another contribution of our research is to incorporate the goal hierarchy in the study of behavioral failures and illuminate the long-term and large-scale consequences of discrete lapses of behavior as opposed to immediate lower-level outcomes. Also, we test our predictions in a context which is atypical of performance studies in the goal literature, where the predominant experimental stimuli are verbal or analytical tasks or academic accomplishments. By applying our framework to actual pro-environmental goals pursued by most consumers, we aim to establish the ecological validity of our findings and generalizability of our framework to welfare-enhancing consumer goals. Importantly, our findings indicate that failing to perform welfare-enhancing behaviors does not necessarily have detrimental effects on consumer welfare. When such behaviors are concordant with consumers' self-concept, they will continue pursuing the welfare-enhancing goals regardless of incidental failures.

We further believe that our research contributes to cognitive dissonance literature by introducing a new experimental paradigm (i.e., goal failure) which could be used in future dissonance studies and extending the self-concept view of dissonance via the integration of a goal's concordance with one's self. Future researchers will definitely benefit from further investigating the propositions of the cognitive dissonance theory and testing them in the context of goal failures. Identifying factors that affect the emergence and magnitude of dissonance in the face of failure as well as potential mechanisms to reduce this negative state of tension will improve our understanding of the large-scale effects of small-scale failures. We know that consumers will continue failing to recycle, conserve energy, eat healthy, or perform other desirable behaviors. Nonetheless, we believe that a deeper insight into the failure process might in fact help identify ways to translate consumers' behavioral lapses into amplified motivation to pursue welfare-enhancing goals.

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# Decomposition Model of the Total Store Purchase and Its Application

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## EXTENDED ABSTRACT

To investigate customers' purchase behavior, researchers usually decompose the *total store purchase (TSP)* into the product of average single purchase and patronage frequency within a certain period of time. Previous study holds an assumption that *single purchase payment (SPP)* and *inter-purchase time (IPT)* are two independent variables (e.g. Colombo & Jiang 1999; Fader, Hardie & Lee 2005; Schmittlein & Peterson 1994). Though it does not mean that previous researchers believe SPP and IPT are actually independent, the independent assumption is widely used in the analyses of purchase data tendency to keep mathematics tractable.

Instead of using the previous assumption, we propose a decomposition model of TSP based on the assumption that SPP and IPT are interdependent. The new assumption is discreetly examined based on the observation and analysis of consumer purchase behavior. We divide consumers' purchase behavior into three stages: whether to go shopping or not, which store to go, and finally how much to purchase. With the analysis of these three stages, it is quite clear that SPP and IPT are interdependent. Previous purchase quantity (represented by SPP) and how long it has been last will together influence the decision of whether to go shopping or not. If the customer decide to do shopping in the target store, current IPT for the certain store is determined. Then previous SPP and IPT will exert their impacts on purchase quantity decision, thus current SPP is obtained.

However, the interdependency of SPP and IPT could probably be concealed by a seemingly insignificant correlation coefficient. For each customer within a target store, we propose that there exists an upper limit of total demand, the changing of which may lead to insignificant correlation coefficient. If the limit of total demand does not change much, the more SPP is, the longer IPT will be, and vice versa. This is *constraint effect of the total demand*. But if the upper limit changes, which means a customer focus his/her purchase more (or less) on a certain store, the SPP will increase (decrease) while IPT will simultaneously be shorter (longer). This is called *changing effect of the total demand*.

A model is developed to manifest the interdependency while decomposing TSP. We use simultaneous equations instead of joint-distribution approach to deal with the mathematical problems (Schmittlein & Peterson 1994). Stochastic models with covariates are used for each equation to capture random factors (Gamma-Gamma model with covariates is introduced for SPP and Exponential-Gamma model with covariates for IPT). With those models, the impact of marketing efforts could also be introduced into the model as covariates. By doing so, this model would explain how those marketing variables affect SPP and IPT separately, and therefore affect the total purchase.

We use our model to analyze customers' purchase behavior in a certain supermarket. A sample set of 70 households and 720 purchase records is chosen from CTR Market Research's panel. These records are kept from chain stores of the supermarket within 13 weeks. The result shows that the constraint effect and changing effect of total demand do exist. With the constraint effect, SPP and IPT do not simultaneously change towards the managers' will. Thus the correlation coefficient of SPP and patronage frequency (PF, PF=Time/IPT) should be negative. However, while the upper

limit changes (changing effect), it is possible that the correlation coefficient is insignificant, and this may lead to misunderstanding that SPP and IPT are independent.

With the introduction of marketing variables as covariates, we find that the result is much more useful than directly relate these variables to TSP. The result shows different impacts of a marketing variable on SPP and IPT. When we use a marketing strategy, we should carefully investigate both what it does to SPP and what it does to IPT. If we only keep eyes on a general result, it may mislead our decision making or incline us to miss a certain valuable commercial opportunities. Thus, with our model, the effects of these marketing variables on TSP are also decomposed, and more useful information could be used for research and decision making.

In conclusion, our interdependency assumption focuses on customers' real purchase behavior, rather than on the analysis of data tendency. We prove that SPP and IPT are highly interdependent. Using correlation coefficient is not a reasonable way to tell whether SPP and IPT are independent or not. The model we develop meets the requirement that the interdependency of SPP and IPT should be incorporated in a TSP decomposition model. Furthermore, our model is able to take marketing variables into consideration, and decompose their effects on TSP.

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# Tracing Cognitive Processes at the Point of Sale: New Developments and a Comparison of Methods

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## EXTENDED ABSTRACT

Despite the common assumption that shopping behavior is highly dynamic, there is little research at the point of purchase that adopts a process oriented perspective. This might be partly attributed to the methodological challenges that researchers face when applying process tracing methods in the field. Techniques that have been developed for the laboratory cannot be transferred easily to field research because of technical limitations. Moreover, process tracing methods are claimed to suffer from reactivity. However, knowledge on how this affects shopping behavior is scarce. The research presented here addresses these issues in order to facilitate the use of process tracing methods in the field. For this, we focus on two techniques (thinking aloud and video-cued thought protocols) that have been used for tracing cognitive processes in stores and discuss modifications of the procedures that take advantage of recent technological developments. Furthermore, we will report on a study that analyzes the reactivity of the methods, which is, whether consumers' shopping behavior is altered.

A process tracing technique that has already been applied at the point of purchase is thinking aloud (e.g. Alexis, Haines, and Simon 1968; Park, Iyer, and Smith 1989; Payne and Ragsdale, 1978; Reicks et al., 2003; Titus and Everett, 1996). It is based on verbal reports: Participants are asked to concurrently verbalize their thoughts while visiting a store. These verbalizations are recorded on tape and are analyzed for consumers' cognitive processes such as search strategies (Titus and Everett, 1996) or purchase decisions (Payne and Ragsdale, 1978) later on. Usually, an observer accompanies the participants in order to make notes on their in-store behavior and to encourage them to think aloud.

The validity of thinking aloud, however, has been questioned: Verbalizing might commit cognitive resources and hence interfere with the shopping task (cf. Russo, Johnson, and Stephens, 1989). To overcome this problem, video-cued thought protocols have been proposed as an alternative technique (Silberer, 2005; Büttner and Silberer 2007): After giving consent, participants are followed by a cameraperson who records their behavior in the store; the resulting video is then presented to the participants afterwards and they are asked to comment it with the thoughts they remember from the shopping episode. Collecting verbal reports retrospectively eliminates the reactivity that results from verbalizing concurrently. Nevertheless, the technique introduces another problem: reactivity due to the camera observation.

Because of the problems associated with the observer/cameraperson, we modified the procedures for thinking aloud and video-cued thought protocols. In our variant of video-cued thought protocols participants wear a head-mounted camera that records the shopping episode from the participants' point of view (cf. Omodei, McLennan, and Wearing 2005). Afterwards, the participants watch the video and comment it with the thoughts they remember. In the thinking aloud procedure, they also wear the head-mounted camera, but verbalize their thoughts concurrently while shopping; this is stimulated and supervised via a cell phone. Another function of the cell phone is to render the verbalizing task more realistically for the participants. Both modified techniques result in a video of the shopping episode that has participants' comments on the audio track.

For analyzing the reactivity of the techniques, we drew onto the literature on verbal protocols (for an example in consumer research, see Biehal and Chakravarti 1989; for a general review, see Ericsson and Simon 1993) and on audience effects in social psychology (e.g., Bond and Titus 1983; Fenigstein, Scheier, and Buss 1975; Schlenker and Weigold 1992). Our basic premise is that the methods discussed above impose secondary tasks on the participants, thereby consuming cognitive resources (Ericsson and Simon 1993; Russo et al. 1989); this additional cognitive load impairs the shopping process because attention resources are limited (see the literature on dual task performance: Pashler, Johnston, and Ruthruff 2001; Styles 2006). Two sources for secondary tasks that are crucial to the methods discussed above were identified: verbalizing concurrently and processing social information. Whereas video-cued thought protocols can be assumed to suffer only from the latter, thinking aloud will be affected by both processes.

This was examined in a field experiment in a store. We applied a 3 (method) x 2 (motivational orientation) between subject design. The method conditions were thinking aloud (verbalizing by phone + head-mounted camera), video-cued thought protocols (head-mounted camera only) and a silent, noncamera control group. Motivational orientation (utilitarian vs. hedonic) was induced by a shopping task the participants had to solve in the store.

In sum, the findings argue in favor of the cognitive-load-based model: Wearing a head-mounted camera as well as verbalizing one's thoughts impaired the shopping episode. Both effects work in an additive way: Participants were more affected by the thinking-aloud procedure than by assessing video-cued thought protocols. The differences in public self-awareness imply that the impact of the head-mounted camera can be attributed to processing social information. The effects are not moderated per se by having a hedonic vs. a utilitarian shopping motivation; the impact of verbalizing on negative emotions, however, only occurred when participants had a hedonic shopping motivation.

Three contributions to consumer research at the point of sale shall be highlighted: First, the study empirically analyzes the impact of reactivity and thus goes beyond the anecdotic evidence reported in the literature (e.g. Reicks et al., 2003). The effect sizes highlight that reactivity is an issue to be aware of and that the triangulation of findings with different–preferably nonreactive–methods is highly desirable in field research at the point of purchase. Second, the study demonstrates that not only utilitarian but also hedonic aspects of shopping suffer from reactivity. Finally, at a more specific level, the study demonstrates that assessing video-cued thought protocols produce less reactivity than thinking aloud, thus replicating findings from laboratory research in other domains such as problem solving (Russo et al., 1989) or software usability (van den Haak et al., 2003). This finding qualifies video-cued thought protocols as a valuable alternative for consumer research at the point of purchase.

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# Evaluations of Bilingual Product Descriptions on Boxes

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## EXTENDED ABSTRACT

The desire to make English the official language of the U.S. seems to have grown from concerns about immigration. On one side of the argument are those who see America as a "melting pot." They argue that one must speak English to be a "Good American." Opponents of making America an English-only country feel that America is not a melting pot, but a "stew" where hyphenated Americans of diverse backgrounds can live together in harmony. Perhaps one reason for this debate is that more and more marketers are targeting the Hispanic market and are using Spanish to reach them. This desire to reach Hispanics is not surprising since the Hispanic market represents over $600 billion in buying power.

This paper asks three questions. First, do typical consumers, i.e., consumers who speak only English, respond differently to bilingual versus English-only packaging? Second, do prejudice and ethnocentrism (Shimp & Sharma, 1987) affect the typical consumer's responses to bilingual packaging? Finally, does the type of information processing task, i.e., central or peripheral information processing, affect the typical consumer's responses to products in bilingual packaging?

*Prejudice*: According to Crandall, Eshelman, and O'Brien (2002), prejudice is a negative evaluation of a group or individual on the basis of group membership. We investigate prejudice as one variable that explains the difference in evaluations of products in English-only versus bilingual packages by typical consumers.

*Ethnocentrism*: Ethnocentrism is anchored in the belief that one's own group (the in-group) is superior to other groups (out-groups) (Adorno et al., 1950). We argue that typical consumers who are highly ethnocentric will form negative beliefs about a product based on the presence of Spanish on the package. In turn, these negative beliefs will result in lower product evaluations.

Information Processing: The Elaboration Likelihood Model (ELM) (Petty & Cacioppo, 1986) distinguishes between two routes to persuasion: the central route and the peripheral route. The basic premise of this study is that a product in a package with an English-only product description will be evaluated more favorably than the same product in a package with a bilingual product description.

## Summary of Hypotheses

H1: Subjects will evaluate a product with an English-only product description on the box more favorably than one with a bilingual product description on the box.

H2a and H2b are based on the preceding discussion of ethnocentrism and prejudice.

H2a: Subjects who are highly ethnocentric will evaluate a product in a bilingual package less favorably than the same product in an English-only package.

H2b: Subjects who have less ethnocentrism will not differ significantly in their evaluations of a product in an English-only versus a bilingual package.

H3a.: Subjects who are highly prejudiced will evaluate a product in a bilingual package less favorably that the same product in an English-only package.

H3b: Subjects who have less prejudice will not differ significantly in their evaluation of a product in an English-only package versus a bilingual package.

When there is no opportunity to process information, the use of extrinsic cues results in an evaluation that is more heuristic in nature.

H4a: When presented with a bilingual product description, consumers who are under time pressure and in a low-justification condition will resort to peripheral information processing resulting in a lower evaluation of the product in the bilingual package versus the same product in an English-only package.

H4b: When presented with a bilingual product description, consumers who are not under time pressure and who are in a high-justification condition will resort to central information processing.

Under conditions of deeper processing, prejudice or ethnocentrism do not affect evaluations.

H5: When asked to evaluate a product in deeper processing condition, subjects who are highly prejudiced, will evaluate the product in the same way as those who have less prejudice regardless of the language on the package.

H6: When asked to evaluate a product in a deeper processing condition, subjects who are highly ethnocentric, will evaluate the product no differently than those who have less ethnocentrism regardless of the language on the package.

Earlier research leads one to expect prejudice scores for women to be lower than those for men, we also expect women to evaluate products in a bilingual package more favorably than men.

H7: Women will exhibit less prejudice than men.

H8: Women will not significantly differ in their evaluation of a product in an English-only package versus the same product in a bilingual package, while men will have a lower evaluation of a product in a bilingual package versus the same product in an English-only package.

Methodology: In this study, we used a 2 (English-only or bilingual language description) X 2 (central or peripheral information processing) X 2 (high or low prejudice/ethnocentrism score) experimental design. Analysis of data collected from 240 undergraduate students at a major public university shows support for all hypotheses except H8 (Women will have no difference in product evaluations while men will). This finding is adequately explained with support from prior research.

This is the first study to examine the effect of ethnocentrism and prejudice on the evaluation of a product in a bilingual package. The findings suggest that managers should think carefully before deciding to use Spanish on their packages because our study suggests that typical consumers rate a product in a bilingual package less favorably than a product in an English-only package.

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# Exploratory Behavior: A Portuguese and British Study

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## EXTENDED ABSTRACT

The Exploratory Behavior (EB) concept was introduced in the early 1980's (Raju, 1980; Raju and Venkatsen, 1980) to designate behavior aimed at modifying environmental stimulation. This concept originated in the psychology field with studies of individuals' internal need for stimulation. This literature suggests that individuals have a preferred (or optimal) stimulation level (OSL). When stimulation (complexity and/or arousal) falls below this level, individuals become bored and try to increase it to the desired level. Applied to marketing, when in this situation, consumers tend to seek more diversity in their information search activities and buying decisions. In contrast, when stimulation surpasses the optimal level, individuals try to reduce it to a more comfortable level (Hoyer and Ridgway, 1984; Price and Ridgway, 1983; Raju, 1980; Raju and Venkatsen, 1980).

EB and OSL have been researched in numerous marketing contexts. However, the extant literature has some gaps that this paper seeks to address. First, we develop a nomological model that uses individual-level OSL-related antecedents to perceptions of risk. Raju's exploratory tendency scale (1980), one of the most popular operationalizations of EB, has been tested mostly in single countries (e.g., USA: Ganesh, Arnold, and Reynolds 2000; Goodwin and Etgar 1980; Mehrabian and Russel 1974; Raju 1980). Relatively few have examined EB and OSL cross-culturally or in non-US settings (for exceptions, see Faison, 1980; Murray and Manrai, 1993). This study develops a model for EB and tests it with data from two countries, namely Portugal and the UK. In sum, to the best of our knowledge, our study is the first test of the nomological model, with two countries

In our paper a review of the concept of Exploratory Behavior, Optimum Stimulation Level and Perceived risk is provided. The following hypotheses are proposed regarding the nomological relationships between these constructs:

H1: OSL is related positively to EB.
H2: EB is related negatively to consumers' perceived risk.
H3: OSL is related negatively to consumers' perceived risk.

Based on these hypotheses, a nomological model of the relationships of EB and related concepts is proposed. An empirical study was conducted in two nations representing differing cultures to validate the proposed model. Two high-involvement products were used (cars and laptops) as previous research on perceived risk shows that it is related to high-value, high-involvement purchases.

Results from the cross-cultural empirical study mostly substantiate the hypotheses based on the proposed model. Regarding EB antecedents, H1, suggesting that OSL is positively related to EB, was confirmed. This suggests that the level of homeostatic arousal predicts the disposition to engage in information- and acquisition-related exploratory consumer-related behaviors, such as seeking information, talking/reading about new products, and experiencing or buying them. In what concerns EB outcomes, the negative impact of EB on perceived risk (H2) was also confirmed for both EB facets, for both products, in both countries. OSL was hypothesized to negatively affect perceived risk (H3). However, results differed across OSL operationalizations.

These results emphasize the usefulness of the EB construct, capturing the disposition for engaging in exploratory, varied, and novel consumption- and information seeking-related activities in different cultures.

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# Cross-cultural Differences in Delight

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## EXTENDED ABSTRACT

This paper examines cross cultural differences in delight. Delight is a combination of affect (pleasure or happiness) and surprise (contrast with expectations). In consumer and business marketing, pleasant surprises occur when customers experience new products, new features of familiar products, service upgrades, sales promotions or free gifts. Past research shows that surprising positive events are more pleasurable than expected positive events, and surprising negative events are more painful. Surprise amplifies emotional experiences by causing arousal and activation that heightens valence. However, are such magical effects universal? Are Chinese customers and American consumers delighted by the same events? If so, does delight have the same effects on behavior? Cross cultural researchers have found numerous differences in the emotional reactions of Westerners and East Asians. For example, the frequency and intensity of positive emotions is stronger in Western cultures than in Asian cultures (Scollon, Diener, Oishi, & Biswas-Diener 2004; Heine, Lehman, Markus and Kitayama 1999). Asians also tend to report lower levels of well-being.

What are the reasons behind this disparity in emotional experiences? First, groups differ in cultural norms. It is more desirable to express and experience positive feelings in Western cultures (Kitayama, Markus and Kurokawa 2000). Asian cultures are more accepting of negative feelings (Diener and Suh 1999). Second, groups differ in their need for positive self regard. A review by Heine, Lehman, Markus and Kitayama (1999) suggests that Japanese are more critical of themselves than Westerners. Greater self criticism could lead to lower levels of well being. Third, groups differ in their outlook of the future. Chang, Asakawa and Sanna (2001) compared optimism and pessimism by asking Japanese and European Americans to predict the probability of life events. European Americans showed no differences in their predictions of their own future and that of others. However, Japanese participants believed they were less likely than others to experience positive events; [ADD "that is,"] they exhibited a pessimistic bias.

On the other hand, probably the more relevant difference between Westerners and East Asians is in reasoning styles. Nisbett, Peng, Choi and Norenzayan (2001) argued that East Asians reason holistically and make little use of categories, while Westerners focus their attention on objects and the categories to which they belong. East Asians rely heavily on dialectical reasoning, while Westerners are more likely to use analytical reasoning based on formal rules and logic. The holistic reasoning style of Asian cultures is guided by the assumption that everything in the universe is connected (Choi, Dalal and Kim-Prieto 1999). Holistic reasoning styles are also associated with a greater acceptance of contradiction. Confronted with apparent contradictions, a dialectical person will try to reconcile opposing propositions, seek a middle way or transcend the points of disagreement. Analytical thinking styles tend to confront the contradiction head on and reject the less plausible proposition (Peng and Nisbett 1999). Perhaps because they create more holistic and complex causal theories, East Asians are less likely than Westerners to experience surprise and more likely to experience hindsight (Choi and Nisbett 2000).

Then, if surprising positive events are more pleasurable than expected positive events and East Asians are less likely to experience surprise, they may report less pleasure than Westerners when confronted with a positive unexpected event. We argue that these cross-cultural differences are due, in part, to differences in the extent of exhibited hindsight bias, which, in turn, affects experienced surprise. Finally, we expect that positive feelings about an unexpected gift may transfer to related stimulus such as a store, brand or product. Accordingly, we designed three studies to test the effect of cultural orientation on affective reactions to an unanticipated gift and on attitudes towards a related product/service:

In Experiment 1, we found support for the hypothesis that Westerners derive greater pleasure than East Asians from an unannounced gift ($2 gift certificate at a University Café) relative to no gift. Moreover, Westerners are happier than East Asians with an unannounced gift (University car sticker valued at $2) relative to an equivalent announced gift. Culture was a moderator of expectations on reported pleasure. Westerners were more delighted than East Asians by unexpected positive events.

Experiment 2 investigated cross-cultural differences in surprise and hindsight as potential causes of affective differences. We found that Westerners reported less hindsight and more surprise than East Asians with an unexpected gift. Surprise mediated immediate pleasure. Surprise and hindsight were negatively correlated. Presumably, East Asians believed that they could better anticipate unexpected events, and, as a consequence, felt less surprised about it. In Experiment 2, the gift was a University car sticker that was allegedly provided by the University Bookstore as a token of appreciation for completing a customer satisfaction survey. Reported pleasure associated with the car sticker transferred to attitudes about the bookstore. In other words, reported pleasure was correlated with attitudes: Not only did Westerners feel happier than East Asians about the unexpected gift but also had more positive attitudes towards the bookstore when the gift was unexpected.

Experiment 3 builds on research showing that East Asians and Westerners differ in their concept of luck. Specifically, East Asians are more likely than Westerners to believe in luck as a way to deal with uncertainty. Experiment 3 demonstrates that East Asians derive greater pleasure than Westerners from an unexpected gift associated with good luck, and that their positive affect transfers to their evaluations of the overall experience. In other words, the addition of an element of luck allows East Asians to experience the emotional amplification resulting from the unexpectedness of the gift.

Our findings have implications for the design of international marketing strategies. Marketers often use pleasant surprises to influence consumers' brand evaluations and, thus, purchase decisions. In fact, the marketing literature emphasizes the role of consumer delight as a source of competitive advantage (Oliver et al. 1997). However, the use of "delighting" marketing activities across countries has to accommodate these identified differences in consumer reactions to "unexpectedness".

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# Cultural Differences in Brand Extension Evaluations: The Moderating Role of Functional and Prestige Brand Concepts

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## EXTENDED ABSTRACT

Brand extension research has identified a number of factors that influence how consumers respond to extensions, including the nature of the extension, type of parent brand, and consumer motivation levels. Recently, culture has been added to the list, with researchers examining whether consumers from different cultures respond to brand extensions in the same way (Bottomley and Holden 2001; Monga and John 2007; Ng and Houston 2006). One of the most interesting findings from this stream of research is that consumers from Eastern cultures perceive higher brand extension fit and evaluate brand extensions more favorably than consumers from Western cultures (Monga and John 2007). Styles of thinking, analytic versus holistic, have been implicated in this research (see Nisbett, Peng, Choi and Noranzayan 2001). Consumers from Eastern cultures, who tend to be holistic thinkers, are more readily able to see stronger relationships between the parent brand and the extension than consumers from Western cultures, who tend to be analytic thinkers.

In this article, we extend this research by investigating how consumers from different cultures respond to brand extensions as a function of parent brand concepts. Brand concepts are brand-unique meanings that exist in the minds of consumers (Park et al. 1991). Function-oriented brands (e.g., Timex) possess unique aspects related to product performance, whereas prestige-oriented brands (e.g., Rolex) are viewed as expressive of self-concepts or images. Research has shown that prestige brand concepts (e.g., luxury and status) are more abstract than functional brand concepts (e.g., durability and reliability), allowing prestige brands to accommodate a wider range of products that share few physical features (Park et al. 1991). A prestige brand like Rolex can be successful launching dissimilar extensions (e.g., scarves and neckties), unlike a functional brand like Timex, which is more successful when launching extensions that share similar attributes in similar product categories (e.g., stopwatches and oven timers) (Park et al. 1991).

We propose that cultural differences in brand extension evaluation will be smaller for prestige-oriented brands than function-oriented brands. Prestige brands have salient and accessible associations that can be used to connect the brand to seemingly unrelated types of brand extensions by consumers from both cultures. Functional brands, in contrast, may have salient and accessible associations, but they are less likely to provide a basis for linking the brand to potential brand extensions in very different product categories. Since consumers from Eastern cultures are more adept at finding relationships between the brand and the extension, a larger cultural difference will emerge for function-oriented brand extensions.

We test this prediction in a series of two studies. In study 1, we compare brand extension responses of American (Western) versus Indian (Eastern) consumers for prestige and functional parent brands. Using hypothetical brands, we find that cultural differences in extension evaluations were much smaller in the case of prestige brands, compared to functional brands. In study 2, we replicate this result by priming analytic and holistic styles of thinking within a culture. This approach, used extensively in cross-cultural research, allows us to rule out alternative explanations based on the myriad of factors that vary between Eastern and Western culture. We find that the effects of priming styles of thinking mirror those found across cultures in study 1. We also test brand name strategy (direct brand name versus endorsed brand name) as a proposed moderator of these effects. Consistent with prior research, we find that an endorsed brand name strategy enhances evaluations of a dissimilar extension of a functional brand among analytic thinkers. However, as expected, no such effects were found for holistic thinkers.

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# Food Shopping in Urban China in 1996 and 2006: Homogenization and Stratification

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## EXTENDED ABSTRACT

Over ten years ago we first collected data related to the wide-sweeping changes in food consumption behavior that had occurred in urban areas of China in the post-reform years (Veeck 2000; Veeck and Burns 2005). Since that time, in response to state reform policies and market mechanisms, changes related to the food provisioning of families have been, if anything, even more rapid. These myriad changes lead to a number of questions related to how this transformation of the marketplace is being experienced by consumers.

Since food shopping and other food-related tasks are highly social experiences (Lupton 1996; Valentine 1999), as well as serving individual, task-driven needs, a primary question involves how new shopping patterns alter and absorb roles and identities. Are these changes in food provisioning behavior reflecting, or even contributing to, a breakdown of social systems and the rise of individualization that is frequently associated with modernity (Beck 1992; Giddens 1991)?

As urban dwellers become farther removed from the sources of their food, they are relying on increasingly distant and complex chains of production, distribution, and processing to deliver their food. Some researchers have associated the shroud of mystery that accompanies modern food systems with an environment of distrust (Fischler 1980; Mennell, Murcott, and Van Otterloo 1992). This leads to the question of how Chinese urban consumers evaluate new food options and ensure the safety of food that they serve to themselves and family members.

Another important question involves the extent to which emerging social distinctions are being defined and altered through food-related tasks. A growing disparity in China in occupational mobility, access to resources, and, simply, life opportunities has been well-documented (e.g. Bian 2002). Given the primacy of food-related activities in defining relationships and establishing roles and identities, the food retail environment in Chinese cities is an important place to examine the ongoing stratification of society.

The data from this research are based on two sets of food shopping observations and interviews, conducted in 1996 and 2006 in urban areas of China. In both studies, we asked each of the participants to allow us to accompany them as they conducted a routine food shopping trip, starting and ending at their homes. Following the shopping trips, we conducted an interview with the participants in their homes and surveyed their cooking and dining areas. For both sets of observation/interviews we took hundreds of photographs of the food shopping trips and the homes. We audiotaped our observations from the marketplace, as well as each interview. The notes and interviews were later translated and transcribed.

The most striking difference we found in our food shopping trip observations between 1996 and 2006 was in how much more diverse in 2006 the behavior of our participants was, including choice of retail venue, time spent shopping, amount of food purchased, and money spent. In 1996, every one of our observations of shopping expeditions involved a trip by foot to a neighborhood food market featuring multiple food stalls. In 2006, we observed shopping trips to diverse food venues, including four morning markets, one outdoor food market, five enclosed food markets, four supermarkets, and one small family-owned grocery store. The diversity

in the 2006 shopping options is a testament to both the variety of options now available for purchasing groceries and the wide-ranging life styles that are accommodated by these options.

In this period of economic and societal change in Chinese cities, consumption activities are a particularly important tool for developing and reaffirming important relationships. We found the social dynamics of traditional food markets in which the shoppers frequently encountered and spoke to neighbors and engaged in relatively protracted transactions with the vendors to be quite different than the relative anonymity of the modern supermarkets in China. However, the most important relationships affirmed through food transactions—that is, the nurturing of family members—remained equally salient to respondents between 1996 and 2006.

Through this research, we also wished to explore another outcome that has been associated with modernity in contemporary society in the West: the notion of a "risk society," (Beck, 1992; Giddens 1991) in which advanced technologies lead to a public that is increasingly aware of and consciously avoids risk. In fact, we found that, while consumers are not necessarily more concerned with the safety of the food supply than they were a decade ago, the source of their fears had altered due to the changes. In particular, newer forms of food handling, such as modern agricultural techniques and manufacturing are generating concern related to safety. At the same time, other newly-available food options, such as purchasing trusted brands and organic foods, serve as a tool used by some consumers to feel more secure about the food they serve their families.

The increasing heterogeneity of food purchasing behavior resulting from the stratification of society suggests the potential for feelings of alienation related to the inequality of consumption opportunities. Our research found that consumers are more likely to rejoice in the wide availability of new choices than feel resentful of the growing inequities (Davis 2005). Still, it bears watching to see if disenchantment grows as social stratification expands.

In this transitory period of food retail expansion, the repertoire of choice available to each Chinese consumer should be monitored. This may well be a "golden period" in the food supply, in which, in the intersection between traditional food suppliers and modern food retailers and manufacturers, consumers are experiencing the best of both worlds. The changes that occur in the food retail environment in the next few years may determine if the retail landscape continues to provide a variety of options for most urban consumers, or if the options recede to the homogenization often associated with supermarkets in the West (Clarke et al. 2002). Furthermore, it will be important to monitor to what extent the opportunity of choice in food consumption is available to all urban residents.

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# Guiltless Gluttony: The Asymmetric Effect of Size Labels On Size Perceptions and Consumption

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## EXTENDED ABSTRACT

Obesity is now seen as one of the leading public challenges of our time. General consensus holds that the increase in food portions is one factor contributing to the obesity epidemic in the U.S. Standard portions, as defined by the federal government are considerably smaller than portions typically consumed by the public. This discrepancy makes it difficult for people to relate the amounts they eat to recommended amounts and contributes to people's uncertainty about the appropriate amount to eat. In this context of large portion sizes and uncertainty about appropriate portion sizes, we propose that size labels that manufacturers choose to use on their food products can have a major impact on consumers' purchase and consumption behavior.

The basic conceptual question we ask in this research is "how do people integrate different cues to form size judgments?" In the context of food and drink categories, judgments of size estimations can be made using multiple inputs coming from the stimulus: *visual* cues from the stimulus itself, *semantic* cues in the form of size labels (and other written information), and *sensory* cues from post-consumption judgments. Furthermore, information coming from these multiple sources can be inconsistent. For example, a product can be (intentionally) mislabeled by the marketer as a "large" when it is actually "small" within the context of similar products in the category, and vice versa. We explore to what extent people rely on the visual size versus the size label in forming size estimations, which will then affect their actual consumption.

We build on the Heuristic-Systematic Model (HSM) from the information processing paradigm as a framework to explain this information integration. The model suggests two different modes of information processing: *systematic* processing (with a more comprehensive and analytic orientation) and *heuristic* processing (with a more limited, less effortful orientation). We propose and demonstrate that size labels can be used as a semantic heuristic in making size judgments for everyday food and drink consumption, since people may find it difficult to estimate absolute sizes of products from visual product stimuli.

A series of three laboratory experiments and a field study show that size labels influence not only size perception but also actual and perceived consumption; and that their effect is most pronounced under conditions of limited cognitive resources and increased concern for accuracy.

Study 1 uses a 2 ("size label": inconsistent, consistent) x 2 (actual "serving size": six, eight pretzels) mixed-subjects design to test the effect of size labels on size perceptions, with sixty one participants. Snack plates with mini-pretzels are used as the stimuli. Each participant is presented with two snack plates sequentially with size labels attached and is asked to indicate pre- and post-consumption size estimations for both plates. ANOVA tests with pre-consumption and post-consumption perceived size as the two dependent variables show a significant interaction between serving size and size label (consistent vs. inconsistent), and planned contrasts are in expected directions. Accordingly, we demonstrate the biasing influence of size labels over visual stimuli in this study.

Studies 2 and 3 establish the conditions of *when* the biasing effect of size labels are most pronounced. Study 2 tests for cognitive load and uses a 2 ("size label": small, large) x 2 ("actual size": small, large) x 2 ("cognitive load": load, no load) between-subjects design, with one hundred and sixty participants. Mini-sandwich bowls, which also include nutrition information, are used as the stimuli in this experiment. We establish that under load, participants are subject to the biasing effect of size labels, while in the absence of load, they can correct for the bias. As a second moderator, Study 3 tests for concern for accuracy, operationalized through measuring nutrition consciousness. It uses a 2 ("size label": small, large) x 2 ("actual size information given": 30 gr., 50 gr.) x 2 ("nutrition consciousness": high, low) between-subjects design, with two hundred participants. We find that when consumers care less about their nutrition and energy intake estimation accuracy, they are more likely to rely on size labels as a simplifying heuristic.

Finally Study 4 explores the effects of size labeling on actual and perceived consumption in the field. Packed portions of eggs are used as the stimuli for this experiment during a breakfast of thirty three Rotary Club members as participants. We find that the mere use of different size labels for the same product affects the amount people consume (without knowing). This indicates that actual behavior can also be influenced by the use of labeling. Further, consumers may not even be aware of the effect of the size label on their consumption behavior.

The studies together also suggest an asymmetry in the biasing effect of size labels. Since obesity-prone consumers are inclined to consume large quantities, they are more open and willing to accept a larger item being labeled small, and not feel guilty of increased consumption. However, when the reverse happens, when a smaller item is labeled large, consumer skepticism takes a hold, and they are suspicious that the marketer is trying to signal better value for a smaller product. As such, the size label has a smaller effect on size perceptions in the latter case. We call this asymmetric effect "guiltless gluttony".

In sum, since size labels can (mis)lead food perceptions of consumers, marketers need to be careful in their adoption of new labels; mislabeling (unwittingly using a size label that connotes a different size perception from what the actual product is perceived to be) could result in serious negative consequences for the firm if recognized by public policy officials, consumers or the media. For the wellbeing of consumers, it is critical to use size labels ethically. Since consumers are increasingly faced with the dangers of obesity, a more educated view of size labels and serving sizes is critical for each consumer. Public policy officials need to be vigilant about marketers mislabeling products to unfairly influence consumer purchase behavior.

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# Conspicuous Consumption: A Preliminary Report of Scale Development and Validation

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## EXTENDED ABSTRACT

Since conspicuous consumption was proposed by Thorstein Veblen in 1899, it has been extensively discussed in the field of economics. As the *Veblen effect* indicates, the demand for consumer goods is increased when its price is higher than that of others (Leibenstein 1950). In Veblen's time, what motivated conspicuous consumption was the desire to gain prestige from others via accumulation of wealth or luxury goods.

However, conspicuous consumption behavior today has become more sophisticated and subtle (Trigg 2001). The meaning of conspicuous consumption has changed with the evolution of societies and consumption value. Thus, the main components of conspicuous consumption vary today. As consumers employ product symbolism for their social interaction (Belk 1985, Holbrook and Grayson 1986, Kleine, Kleine and Kernan 1993, Laverie, Kleine and Kleine 2002, Richins 1994, Solomon 1983), conspicuous consumption does not only mean the ostentation of wealth, but also the ostentation of something symbolic to specific reference groups in order to gain their recognition or prestige.

In the field of consumer behavior, conspicuous consumption is a relatively less explored construct. The only existing scale (Marcoux, Filiatrault, and Cheron 1997) was ad hoc designed for certain research context and limits its generalizability. Besides, as the content of conspicuous consumption changes over time, the need for an appropriate definition and measurement of this special consumer behavior in today's society has emerged. Hence, the objective of the present study was two-fold. First, through a literature review, the content of conspicuous consumption was clarified. Second, based upon the new definition and major dimensions, we developed a scale for measuring behavioral tendencies of conspicuous consumption following the rigorous procedures suggested by Hinkin (1998).

Drawing from the literature review in economics, sociology, and marketing (Page 1992, Mason 1981, Mason 1982, Mason 1998, Shipman 2004, Solomon 1983, Trigg 2001), we defined conspicuous consumption as "the extent of one's behavioral tendency of displaying one's social status, wealth, taste or self-image to one's important reference groups through consumption of publicly visible products." Using a deductive approach, we integrated past theory and research to derive four key dimensions underlying conspicuous consumption, which are conspicuity for aspirant group, conspicuity for uniqueness, conspicuity for conformity, and conspicuity for status.

Followed standard psychometrical procedures for scale development (Hinkin 1998), there are five phases in the scale development and validation.

*Item generation.* Initially, all potential items were written referring relative literatures to reflect the conceptual definitions of the four dimensions. After we ensured that all items were articulated in consistent terms, written in concise statements, and dropped redundant items, 75 positively worded items were remained in the item pool.

*Content validity and questionnaire administration.* This phase was assessed by nine Ph.D. students, who served as expert judges. The result of this analysis showed an overall SAI of .84, which indicated a high level of correct matching. After items with a high degree of inconsistency were deleted, a total of 41 items with content validation were retained. For convergent validity, the previous conspicuous consumption scale (Marcoux et al., 1997) and the interpersonal influence scale (Bearden, Netemeyer, and Teel 1989) were measured. Besides, the self-esteem scale (Rosenber, Schooler, and Schoenbach 1989) was used to examine discriminate validity. Further, we also measured consumer's actual conspicuous brand consumption behavior to verify criterion related validity. Meanwhile, an additional independent survey conducted to identify the conspicuity of the brands. In the administration stage, all data were collected from 317 undergraduate students. This sample size reached an acceptable item-to-response ratio of 1:7 (Hinkin, 1998). Then, we randomly assigned all samples into two groups for exploratory factor analysis (EFA) (N=158) and confirmatory factor analysis (CFA) (N=159).

*Exploratory factor analysis.* The principle factor method and oblique rotation were adopted, without specifying the number of factors in the first run. The results indicated that the first four extracted factors fell into the domain of our dimensions. Next, four factors were specified in the second EFA estimation, and 30 items remained, of which all factor loadings were over .4.

*Confirmatory factor analysis.* CFA processed with the LISREL 8.51 program, we deleted items with modification indices exceeding 3.85. The final 15 items had a good model fit (GFI=.91, RMSEA=.06).

*Reliability and construct validity.* Scale validation, regarding the response bias, the correlation between our scale and the social desirability scale was insignificantly low, which eliminated this concern. The Cronbach's Alpha, CFA indexes, and MTMM results indicated the good reliability and validity of this scale. First of all, the Cronbach's Alphas of the four dimensions were all above .7, which indicated high reliability. Second, the convergent and discriminant validity was verified by the high correlations between our scale and Marcoux scale. The low correlation between our scale and the self-esteem scale provided the evidence of good discriminant validity.

As for the criterion related validity, evidence of a nomological network was investigated. The significant correlation between our scale and the interpersonal influence scale indicated the first evidence of good criterion-related validity. Second, we also conducted hierarchical regression, using both the new scale and the existing Marcoux scale to compete for their predictability of consumers' conspicuous brand purchase. The result showed that our scale had a significant 3% additional explanatory power after the Marcoux scale had entered the model before our scale. In contrast, there was no significant R-square increase for the Marcoux scale if our scale entered the regression first. This result provided further evidence of the criterion related validity of our scale.

This article developed four key dimensions and the measurement scale to capture the definition of conspicuous consumption. According to these four dimensions, society value sets up the standard of what represents status symbols; fashion leaders in aspirant groups drive the trendy style and the public mimics, from the peer leaders to the peer followers. This notion is quite different from the conspicuous consumption in Veblen's time, only limited to the wealth ostentation via luxury goods. In the

society which encourages materialism, this preliminary finding of conspicuous consumption indeed provides a new perspective for future research.

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# Assessing the Consumer Perceived Value Scale

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## EXTENDED ABSTRACT

### Abstract

In recent years perceived value has attracted significant attention among marketing scholars. Recently, Sweeney and Soutar (2001) identified four dimensions of consumer perceived value (CPV) and developed scales to measure these dimensions. Their CPV scale, based on previous research in Australia, was administered to consumers in Germany. We assess the cross-cultural validity of the measure of consumer perceived value (Study 1). After validating the CPV scale, an abbreviated version of the CPV scale (with 12 items) is proposed and assessed that has equally good dimensional properties as the original version. In Study 2, using a second sample, we validate and apply the abbreviated version of the CPV scale.

### Introduction

Given the increased competition in the service industry, many retailers and other service firms focus on delivering value to customers as a means of competitive advantage. The literature suggests that consumer perceived value is associated with customer satisfaction, loyalty, and trust (e.g., Lee et al., 2002; Parasuraman and Grewal, 2000; Yang and Peterson, 2004) and is hence relevant to researchers in consumer behavior and services marketing. This study tests the universality of a concept known as perceived value within Germany for both private-label (PLB) and manufacturer-brands (MB). In recent years perceived value has attracted significant attention among marketing scholars. Sweeney and Soutar (2001) identified four interrelated dimensions of consumer perceived value (CPV): Quality, Emotional, Price, and Social. They validated the scale using exploratory and confirmatory factor analysis (CFA). Sweeney and Soutar's (2001) CPV scale, based on previous research in Australia, was administered to consumers in Germany. In this article, we assess the cross-cultural validity of the measure of consumer perceived value (Study 1). After validating the CPV scale in a German context (and in four non-durable product contexts cereals, chocolate bars, and sweet corn), an abbreviated version of the CPV scale (with 12 items) is proposed and assessed that has equally good dimensional properties as the original version. Sweeney and Soutar (2001, p. 216) argue that they have developed "a parsimonious and practical four-dimensional scale". However, it is likely that researchers and practitioners interested in measuring consumer perceived value would disagree and may be deterred by the scale's length.

### Method

Based on a sample of 323, we tested a 17-item, four-factor structure using CFA. The factor structure was tested with the German data, both for PLB and MB sub samples. Inspection of model fit revealed good global fit as well as high coefficients of determination for all the items. Then we considered internal and external criteria to develop the 12-item CPV short scale. Internal criteria relate to internal consistency and dimensionality, external criteria are concerned with criterion-related validity, and judgmental criteria involve assessments of content validity and ease of use.

The 12-item, four-factor structure was tested using CFA and resulted in a good overall fit for both sub samples.

In Study 2, using a second sample (n=319), we validated and applied the abbreviated version of the CPV scale. The reliability of the CPV short scale was assessed with Cronbach's Alpha and CFA. Alphas ranged from .82 to .93 for the PLB and from .71 to .89 for the MB sub sample, and the CFA resulted in a reasonably good overall fit for both four-dimensional models. To assess the practical utility of the CPV short scale, CPV-based segments were identified, employing a two-step clustering procedure, which resulted in choosing a four-cluster solution as the most appropriate representation of the data. The clusters were labeled 'Private Label Brand-oriented' (n=112), 'Functionalists' (n=107), 'Social Utility Seekers' (n=58), 'Manufacturer Brand-oriented' (n=42).

### Discussion and Implications

This study had three objectives relating to; testing the CPV scale's reliability and validity in Germany for PLB and MB, applying it to measure CPV in different product categories and assess a short form of the scale. The findings presented in this research provide further support for the internal validity of the CPV short scale as a viable scale for measuring CPV. The most important finding is that there is an indication of generality of most scale items. Given this finding, there is reason to believe that the CPV scale has elements of construct validity and has potential use across international populations. The results have implications for research and practitioners on how to deal with CPV in retailing and other customer services.

In terms of future research implications, it seems that additional countries need to be considered to permit a triangularization of internal and external results. Indeed, Steenkamp and Geyskens (2006) argue that consumer value may vary across countries. Furthermore, the CPV scale was developed specifically for durable goods purchased in the offline shopping environment. In this study CPV was examined in four product contexts (non-durable product contexts) for both PLB and MB, suggesting that future research should include more and other product contexts as well as services. Thus we urge researchers to continue to consider these important issues. However, additional research is needed to more firmly establish the CPV scale's generalizability.

Sweeney and Soutar (2001, p. 218) argue that consumer perceived value "should be viewed as a part of a continuous process in the maintenance of a relationship between manufacturer and retailer with a given customer". Insofar, our findings are likely to have managerial implications, especially for retailers and other service firms targeting the German market. Interestingly, in Germany, the 'Social' dimension is more reliable in the context of private label brands than manufacturer brands. This dimension refers to the utility German consumers derive from the product's ability to enhance social self-concepts, such as status. Perhaps consumers buying PLB are more eager to get social approval for their product choice, whereas consumers buying MB are more confident about their choice. Also, knowledge of distinct CPV segments is useful for retailers in constructing marketing communication strategy and designing appealing store environments.

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# When Uncertainty Brings Pleasure: The Role of Outcome Imageability and Mental Imagery

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## EXTENDED ABSTRACT

Neither consumers nor marketers appear to like uncertainty. Previous research shows that uncertainty during the purchase process may reduce customer loyalty, undermine consumer confidence, and delay purchase decisions. As such, consumers may seek information to reduce uncertainty while marketers may benefit from strategies that reduce such consumer uncertainty. Continuing these research efforts, yet contrasting past approaches, we examine uncertainty from positive outcomes and specify conditions where consumers can gain more pleasure from uncertainty than from certainty.

Consider an example of a "sure-win" lucky draw where consumers are assured of winning a prize. Upon drawing a prize, the marketer may immediately tell the consumers what the prize is, or alternatively, reveal the particular prize at a later time so that the consumers are uncertain about the prize for some period of time. Comparing between these approaches, which would elicit greater pleasure? Which would better sustain the pleasure consumers derive from the positive event, and why? Our research addresses these questions involving situations where individuals know the eventual outcome is positive yet they do not know which particular outcome would occur.

We suggest that such positive uncertainty may (a) elicit greater immediate positive feelings than certainty, because it evokes greater arousal which intensifies affective reactions, and (b) increase the duration of positive feelings beyond a mere pleasant surprise. Moreover, the durability of positive feelings hinges on the outcome imageability of the uncertain events. This is because the duration of positive feelings is proposed to increase with the level of imagery processing consumers engage in regarding the possible outcomes. Such imagery processing (e.g., visualizing the possible prizes and the situations of using these prizes) would be favorably enhanced when the uncertain events possess cues that are high in imageability in terms of both amount and specificity of imagery. When this happens, the ensuing imagery elaboration would feed and sustain the positive feelings that consumers experience. In contrast, consumers facing a certain positive outcome may imagine less about the outcome, causing their positive feelings to dissipate more rapidly.

As both extent and content of elaboration are two broad dimensions of imagery elaboration, we suggest that the outcome imageability of uncertain events is positively linked to the number of potential outcomes. However, this association should be bounded because a large number of alternative outcomes are unlikely to aid imageability due to the lack of a specified set of identifiable alternatives from which concrete mental imagery can be generated. Therefore, outcome imageability should be higher when the number of potential outcomes is moderate rather than small or large. Experiment 1 tested this conjecture.

*Experiment 1*. This experiment employed a 3 (outcome imageability: limited-possible-outcomes vs. moderate-possible-outcomes vs. infinite-possible-outcomes) x 2 (measurement of feelings: T1—immediately following the event vs. T2—five minutes later) mixed-factorial design. Participants played a computer-simulated lucky draw game and were notified of winning a prize worth $12. Next, participants in the limited-possible-outcomes condition were informed they would receive one of two possible

functional prizes and read the prize descriptions. Participants in the moderate-possible-outcomes condition were informed they would receive a consumer electronics product—a category cue that was pretested to elicit higher levels of imagery processing. Participants in the infinite-possible-outcomes condition received no further details about the prize. Thereafter, participants indicated their feelings (T1). Five minutes later, their feelings were measured again (T2). As predicted, only participants facing a moderate number of possible outcomes (high outcome imageability) remained as happy after a period of time, whereas participants facing limited or infinite possible outcomes (low outcome imageability) experienced a significant drop of positive feelings from T1 to T2.

*Experiment 2*. This experiment had a 2 (uncertainty: present vs. absent) x 2 (outcome imageability: low-imagery product vs. high-imagery product) x 2 (instruction to imagine: present vs. absent) x 2 (measurement of feelings: T1—immediately following the event vs. T2—10 minutes later) mixed-factorial design. To obtain further support for our hypotheses, we compared the levels of positive feelings immediately following an uncertain event with those following a certain event; we adopted a different manipulation of outcome imageability by varying the imagery-evoking nature of prizes; we administered process-baseline conditions where participants received instructions to imagine about the prizes; we collected thought protocols to test the mediating role of imagery elaboration as the mechanism underlying the pleasurable uncertainty effect. Consistent with our prediction, participants in the uncertain condition experienced greater positive feelings at T1 than those in the certain condition. Moreover, only participants who were told they might receive one of two possible high-imagery (sensory-stimulating) prizes remained as happy after 10 minutes, whereas those in the certain condition (regardless of the nature of prize) and those in the uncertain, low-imagery (functional) prizes condition experienced a significant drop of positive feelings from T1 to T2. As expected, we found no differences between the instruction and no-instruction conditions, suggesting the nature of prizes may have constrained the extent of imagery elaboration. Participants who were instructed to imagine about the prizes also wrote down their thoughts about the prizes. Their responses were coded as either an imagery thought or a non-imagery thought, upon which we created an imagery elaboration index (the number of imagery thought divided by the number of total thought). Confirming our prediction, the imagery elaboration index fully mediated the effect of uncertainty and outcome imageability on the durability of positive feelings, whereas the number of total thought did not.

Aside from the immediate pleasurable effect of future positive uncertain outcomes, the temporal aspect of the pleasurable uncertainty effect may bear richer theoretical implications. In this respect, our main contribution lies in identifying the role of outcome imageability of the uncertain events and the ensuing imagery elaboration as the mechanism responsible for the durability of the pleasurable effect. Future research may further consider the contextual effects that pleasure under uncertainty brings, which may also be of interests to practitioners where the creation of positive uncertainty is not only an end (delighted consumers) but a means to an end (favorable responses to subsequent marketing stimuli) as well.

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# Situation-Based Shifts in Consumer Benefit Salience: The Joint Role of Affect and Cognition

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## EXTENDED ABSTRACT

Advanced information and communication technologies now allow firms to provide consumers with anytime, anywhere access to many of their communications and services (e.g., product information, after-sales services). This type of highly flexible interaction with consumers places new requirements on firms, because they need to design their interfaces and services to meet variations in consumer demands across a wide variety of usage situations (Seybold 2001). In particular, the benefits that consumers require in products and channels may vary strongly across usage situations (Gutman 1982; Wendel and Dellaert 2005). Although previous research emphasizes that situational differences are particularly important in understanding consumer behavior (Belk 1974; Lutz and Kakkar 1975), few studies have addressed the question of how these benefits are made salient in consumers' minds. It has been suggested that benefit salience is rooted in a selection process, whereby some benefits are cognitively more accessible in memory to the consumer in a particular usage situation because of their strong associations with past experiences (Ratneshwar et al. 1997). This cognitive structure implies that consumers process decision information in a selective manner, depending on the thoughts activated in a specific situation. The role of affective states in explaining variation in consumer benefit salience also has been suggested as an important area for research (Lutz and Kakkar 1975), although it remains a relatively unexplored research domain. The objective of this paper is to combine these two perspectives and jointly investigate the affective and cognitive routes by which situational differences in benefit salience may arise.

Specifically, we address the process by which benefits become salient in consumers' minds across usage situations and explore two routes (cognitive and affective) by which the situation jointly influences benefit salience, in terms of both benefit importance and the number of salient benefits. We argue for a direct effect of usage situation on consumers' benefit salience (cognitive route) and an indirect effect of usage situation (via affective states) on benefit salience (affective route).

We test the proposed hypotheses empirically by asking respondents to imagine themselves in a usage situation, in which they have a choice of web sites to look for food product information. The Internet particularly emphasizes the importance of anytime, anywhere access for many consumer–firm relationships, which raises the question of how firms can meet these varying needs across individual consumers. We collected data through an online survey run with two university panels. The sample consists of 276 subjects, 22.5% of whom are men. We adopt a 2 x 2 between-subject experimental design to vary the situation and assign respondents randomly to one of four conditions that represent the different hypothetical usage situations. We focus on time and social factors as two situational characteristics for manipulation (Belk 1975). To create the two time and two social conditions, we alter the time that respondents had available to search for a recipe on the Internet and the social context in which respondents had to search, respectively. To measure pleasure and arousal, we use seven-point bipolar adjectival scales (Mehrabian and Russell 1974). In total, we define 13 benefits: understandability, relevance, reliability, adequacy, scope, usefulness, usability, speed, hyperlinks, entertainment, navigation, interactivity, and decisional control. These benefits represent the main themes in current management information system and marketing literature (e.g., Mathwick and Rigdon 2004).[1] To measure benefit salience, we asked respondents to indicate on a seven-point Likert-type scale how important they found each benefit to be in the particular experimental usage situation. We assessed the number of benefits made salient by determining how often respondents indicated a score of six or higher for each benefit (composite score) and adding those scores.

Next, we purified our scales by conducting two confirmatory factor analyses on pleasure and arousal as well as on the 13 benefits. We then performed two analyses by making use of a three-stage least squares approach to test the proposed model. First, we analyzed the effect of positive affect and situation on the number of salient benefits. Second, we tested the influence of positive affect and situation on benefit salience (relative shift). As anticipated, positive affect (i.e., pleasure) significantly increases the number of salient benefits. We also test for the effect of situation on positive affect and find significant positive results regarding the effect of social pressure on pleasure and arousal. Yet, we do not observe an effect for time constraint on pleasure and arousal. The results of the analysis of the situation on the number of salient benefits shows no effect for time constraint. Surprisingly, social pressure has a significant negative effect on the number of salient benefits, even when we control for the effects of affective state. The results further show that positive affect has the strongest influence on the benefit entertainment. To examine whether the differences between entertainment and the remaining benefits are significant, we perform several Wald tests and find significant differences between entertainment and all other benefits except interactivity. Moreover, the effect of situation on benefit salience illustrates that social pressure has a significant negative effect on adequacy, scope, usefulness, speed, entertainment, navigation, and decisional control and time constraint has a significant negative effect on entertainment. Given our interest in the relative shift of individual respondents' benefit salience, we conducted a Wald test and restricted the shift within both manipulation conditions to be constant. The Wald test results are significant and provide further evidence that the relative importance of benefits shifts across the situations.

The impact of the situation on consumers' benefit activation (salience) has received considerable support over the years; however, many of these studies are not very specific about the processes involved. We offer a first attempt to empirically untangle this "black box" and further understanding of the influence of the situation on consumer decision making. We examine two mechanisms that underlie the link between situation and benefit salience. We find support for both routes, which highlights the importance of accounting for cognitive and affective effects simultaneously in understanding the effect of situation on consumers' benefit salience.

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# The Affective-Cognitive Model of Stimulus-Based Affect: Individual Differences in Response to the Vividness of Product Descriptions

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## EXTENDED ABSTRACT

This study expanded the theoretical issues addressed in the Affective-Cognitive model proposed by Shiv and Fedorikhin (2002). That model demonstrated that when an individual is confronted with a hedonic choice like an enticing piece of chocolate cake, the lower order cognitions (e.g., thoughts or memories of previous pleasant consumption pleasures) activate the release of lower order affective reactions to the appetizing stimulus. Shiv and Fedorikhin (2002) demonstrated that choices may be driven by lower order affect when the decision maker is mentally preoccupied and has little time to make the decision. The current study expands the perspective of previous research by focusing on three important factors: (a) The manner in which the stimulus product is described for the message recipient. Here we manipulated a vivid presentation (an emotionally evocative description versus a pallid description highlighting the details of the nutritional value of the ingredients. (b) We focused on the affective and appetitive reactions that are activated through the lower order route such as craving and desire (Gendall et al. 1997; Cepeda-Benito et al. 2000; Belk, Ger, and Askegaard 2003). (c) We also looked at the manner in which individual differences in affect intensity (Larsen and Diener 1987; Moore et al. 1995) influence consumers response to vivid product descriptions.

## Theoretical Rationale for Hypotheses

First, vivid descriptions of delicious food products can prime the appetitive and emotive pathways of the brain and thereby activate intensely strong lower order affect and cognitions. Thus, it can be predicted that the influence of vividness on the stimulation of desire will be mediated by the activation of favorable memories of previous experiences of pleasure associated with consuming the product (Anderson and Bower 1980; Kisielius and Sternthal 1984; Bone and Ellen 1990). This pattern of mediation will also be observed for other dependent measures like attitude toward the product as well as purchase intention.

Second, consumers who score high on the affect intensity measure will experience stronger lower order affect and cognition. Since sensory arousabilty is a dimension of affect intensity (Larsen 1995; Moore and Homer 2000), it should be expected that when individuals are presented with product descriptions that are designed to stimulate vivid imageries of the pleasures of food consumption, those who are high on the affect intensity scale will experience stronger emotional arousal. Presumably, the evocative product consumption descriptions will activate a network of memories of the aroma of pleasurable experiences that will stimulate lower order cognitions. These lower order cognitions, according to Shiv and Fedorikhin (2002), should activate the release of lower order affective reactions (e.g., cravings and desires for the food). In other words, affect intensity should moderate the impact of vividness on emotional responses such as desire and craving and attitudinal judgments.

## Subjects and Design of the Experiment

Subjects (N=197 undergraduates) participated in a 2(Product Description: Vivid vs. Pallid) x 2(Affect Intensity: High vs Low) between subjects design. The test product was Cinnabon™ rolls.

## Findings

The results showed that: (1) the associative network of memories of prior experiences of delightful consumption experiences including the memory of the aroma associated with the product, mediates the influence of vividness on outcome measures such as craving and desire, hedonic attitudes, and purchase intention. (2) Desire and craving for the consumption experience are very powerful emotional reactions and may therefore mediate the effect of vividness on purchase intention. (3) While individual differences in affect intensity revealed very interesting insights about appetitive desires and attitudes, the predicted interactions with vividness was only evident with respect to hedonic attitudes (Voss, Spangenberg and Grohman 2003). (4) Nevertheless, with respect to lower order cognitions produced through the exposure to vivid product descriptions, this study found an interesting relation with affect intensity. Hedonic rationalizations–thoughts people use to justify yielding to an eating temptation–served as the mediating mechanism through which affect intensity influenced craving and desire. On the other hand, cognitive deliberations–thoughts that focus on the consequences of indulging–failed to resonate with high affect intensity consumers and hence did not mediate its influence on craving and desire. It is interesting to speculate about the reasons why hedonic rationalizations and not cognitive deliberations, served as the mechanism through which affect intensity influenced craving and desire. This study did not provide us with the evidence to conclude that high affect intensity consumers are more inclined to resort to hedonic rationalizations when faced with an eating temptation. More research is needed to verify this relationship.

Future research is desperately needed to determine the reason for the relative lack of an affect intensity x vividness interaction. In this study the vivid and emotionally evocative description was designed to activate a network of memories of pleasurable indulgence in consuming a product category that is generally considered to be a 'forbidden pleasure'–Cinnabon™ rolls. To a large extent, these product descriptions served as a powerful source of sensory stimulation in a similar manner as the actual presentation of the product itself has been shown to produce lower order affect and cognition in previous research (Shiv and Fedorikhin 1999; 2002). Our findings seem to have implications for the effectiveness of print advertising. Future research should address television advertising where the richness of sound and evocative visual stimulation may produce stronger lower order affect and cognition from the viewer (Moore, Harris and Chen 1995).

It is interesting to note that Cinnabon™ is known for its seductive aroma which is an active part of the marketing strategy for that brand. In this study one of the items in the measurement of the associative network of memories asked specifically whether the 'memory of the aroma itself stimulated my cravings'. This suggests that the activation of that 'aroma' memory node may have caused the product description to function as an olfactory cue. The emotional and neurological response to an olfactory sensation is extremely swift leaving very little time for cognitive deliberation. According to Ehrlichman and Halpern (1988), this affect involves "minimal cognitive activity"-a type of affect that is "cognitively shallow" (LeDoux 1995). It is quite possible that this phenomenon may explain why hedonic rationalizations, and not cognitive delib-

erations mediated the influence of affect intensity on craving and desire.

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# The Effect of Weather on Consumer Spending

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## EXTENDED ABSTRACT

This paper analyzes the effect of weather on consumer spending. In particular, we propose that mood mediates the relationship between weather and consumer spending. We conduct three studies to investigate this relationship, and find that mood does indeed mediate this relationship. We utilize actual tea consumption, as well as willingness to pay for tea, as dependent variables in our studies. Tea is an appropriate product to use in order to test relationships between sales and weather because it is a neutral product. For instance, tea is the most widely consumed beverage after water, it can be found in over 80% of US households. In 2006, Americans consumed over 50 billion servings of tea, or over 2.25 billion gallons of tea.[1]

We begin by reviewing literature documenting the influence of weather on human behavior. For instance, research in finance (ie, Saunders, 1993; Trombley, 1997; see also Hirshleifer and Shumway, 2003; Goetzmann and Zhu, 2005) suggests that the weather may affect stock trades. Furthermore, ample research in psychology dicusses how weather influences peoples' behavior. Persinger and Levesque (1983) examined temperature, relative humidity, wind speed, sunshine hours, barometric pressure, geomagnetic acitivity and precipitation with respect to mood. Overall, they found that 40% of mood evaluations were accounted for by a combination of meteorological events; in particular, barometric pressure and sunshine had the greatest impact on mood. Other researchers have found that low levels of humidity (Sanders and Brizzolara, 1982), high levels of sunlight (Cunningham, 1979; Schwarz and Clore, 1983), high barometric pressure (Goldstein, 1972), and high temperature (Cunningham, 1979; Howarth and Hoffman, 1984) have all been associated with positive mood. In addition, Keller et al (2005) finds that weather's psychological influences are moderated by the season and the amount of time spent outside. Specifically, Keller et al (2005) found that pleasant weather improves mood in the spring because people have not experienced such weather during the winter months.

Although the influence of weather on behavior has been explored in fields such as finance and psychology, it has been largely ignored in the marketing literature. In fact, very little research has explored the association between weather and consumers' behavior. To date, the most direct evidence for the impact of weather on consumer behavior comes from Parsons (2001), who examines the impact that weather has on daily shopping behavior. However, he does not report sales data and, instead, focuses exclusively on the number of shoppers. More importantly, Parsons' (2001) data does not speak to the psychological mechanisms underlying the effect of weather on sales.

The effect of weather on consumer spending, as well as the influence of mood on this proposed relationship, has not yet been explored. We investigate this issue using a mixture of methods and types of data. First, we have collected daily sales data from a small retailer specializing in a single product category, along with the corresponding daily weather, over a six year time horizon, in order to examine the relationship between weather and consumer spend-

ing. Second we investigate the effect of weather on mood and consumption of the retailer's product and purchase behavior using daily panel data. Finally, we use a laboratory experiment to determine whether mood mediates the effect of (artificial) sunlight on willingness to spend on a product.

The results of the first study highlight the important effects of temperature, humidity, snow fall, and especially sunlight, in retail sales. The second study replicates the general finding of previous research, which indicates that sunlight affects mood, while simultaneously demonstrating that mood affects spending. The third study found support for the effect of sunlight on willingness to pay for a product that would be consumed sometime in the future, rather than immediately, and demonstrated the effect was fully mediated by negative affect.

Overall, the results of the studies reported in this paper provide strong evidence that weather can impact consumer spending. In particular, the observed effect of mood mediating the effect of sunlight–whether real or artificial-on consumer spending is of obvious relevance for the literature on the influence of store illumination on consumer shopping behavior. In this literature, the dominant theoretical model, the Mehrabian-Russell (1974) (M-R) model of approach-avoidance behavior, posits that the combined effects of pleasure, arousal and dominance influences people's behaviors in certain environments. Regarding lighting, the M-R (1974) model theorizes that brighter lighting increases arousal, and that the combination of pleasantness and arousal will positively influence consumers' shopping behaviors. Existing field research (ie, Summers and Hebert 2001; Areni and Kim 1994) has supported the M-R (1974) model of approach-avoidance behavior. Thus, the observed effect of lighting on consumer behavior is assumed to be mediated by arousal and pleasure. However, our results run counter to the M-R (1974) model. In particular, our results suggest it is not so much arousal nor pleasure, as the mitigation of negative affect, which explains the positive effect of high levels of illumination on shopping behaviors. Furthermore, our evidence is stronger than that of Summers and Hebert (2001), and Areni and Kim (1994), because we show that the positive influence of high illumination, caused by the mitigation of negative affect, actually influences consumer spending, while in Summers and Hebert (2001) and Areni and Kim (1994) work, the authors do not measure consumer spending.

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# Mood Influence on the Valuation of Multiple Gains and Losses

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## EXTENDED ABSTRACT

The present research studies subjective valuation focusing on people's preferences for integrating or segregating multiple gains and losses. For example, we investigate whether a gain of $200 in a lump sum is perceived as preferable to two segregated gains of $90 and $110. Preferences for integration or segregation are of interest because they reflect basic valuation processes. Inspired by Kahneman and Tversky's prospect theory (1979) a considerable body of literature investigates preference formation when people evaluate multiple gains or losses and comprehensively describes the preference patterns that result from hedonic evaluation processes (Linville and Fischer 1991; Thaler 1985; Thaler and Johnson 1990): People typically prefer segregated gains and integrated losses (Thaler, 1985). However, the prospect theory is relatively silent about the information processes that are employed for valuation and does not differentiate among determinants of value (Payne and Bettman 2004; Rottenstreich and Shu 2004). And although a growing body of research is devoted to the influence of mood on information processing, rather less attention has been paid to these influences in the context of the valuation of multiple gains and losses.

This research seeks to enhance the understanding of the influence of mood on preferences for segregated versus integrated gains and losses. Moreover, the heuristic-systematic model (Chaiken 1980; Chaiken 1989; Chen and Chaiken 1999) is employed to shed light on the information processing strategies that underlie preference formation in the context of valuation.

Extensive literature confirms that mood states influence information processing strategies and subsequent judgment and decision making (e.g. Bless et al. 1996; Martin et al. 1993; Schwarz and Bless 1991; Wegener et al. 1995). Principally, this research differentiates between informational goals (Bless et al. 1990; Bless et al. 1996) and mood-management goals (i.e. the desire to maintain positive or to repair negative mood states) (Wegener and Petty 1994; Wegener et al. 1995). While informational needs are found to induce systematic information processing, mood-management goals are suggested to trigger heuristic processing. In this sense, people face a complex dilemma between informational needs and mood management motives (Wegener et al. 1995). However, evidence on how the dilemma is solved and on the conditions that lead to the different effects of mood remains inconclusive.

Because of these inconsistencies in previous research the present research proposes the *hedonic valuation hypothesis* to predict the influence of mood on information processing and preferences for segregated versus integrated gains and losses. The hedonic valuation hypothesis attempts to reconcile mood-management theories (e.g. Raghunathan & Corfman, 2004; Wegener et al., 1995) defining the conditions determining mood-management goals.

The hedonic valuation hypothesis posits that a valuation by sadness and a valuation by happiness are both guided by mood-management goals. However, we propose that the mood-management goal is only elicited if the valence of the initial mood (i.e. negative) is incongruent with the valence of an event (i.e. a gain).

Sadness is associated with pessimism and depression and signals that something is amiss and induces the goal to seek for pleasurable stimuli to repair the negative affective state when evaluating a gain (Parrott & Sabini, 1990; Raghunathan & Trope, 2002). Therefore, when evaluating a gain, sad people are predicted to seek the more pleasurable outcome of segregated gains, processing information in a heuristic way.

Because gains do not threaten the positive mood of happy participants they do not sense a need to manage their mood. Therefore, happy people elaborate the information on gains by employing a more systematic way of information processing (Wegener et al., 1995), resulting in a lower preference for segregation. Recent research corroborates with that notion, suggesting that positive moods cause people to me more creative (Martin et al., 1993), to be more efficient in problem solving (Isen et al. 1987), and to bring more information to mind than negative moods (Mackie and Worth 1991).

The reversed logic applies for losses. The hedonic valuation hypothesis proposes that because losses threaten a positive mood, happy participants process the according information in a heuristic way (Wegener et al., 1995) and choose the less upsetting option, an integration of losses.

Sadness, in contrast, is related to depression and greater pessimism, leading to a preference for passivity (Raghunathan & Corfman, 2004). The hedonic valuation hypothesis proposes the preference for passivity causes sad people to process information on losses with neither acknowledging the heuristic cue, nor processing the information in a systematic way, resulting in a low preference for integration or segregation.

To test these predictions an experiment comprising 90 subjects was conducted. Confirming predictions based on the hedonic valuation hypothesis, results convey that mood-management determines information processing and preferences only if the valence of the mood (e.g. negative mood such as sadness) is incongruent with the valence of the event (e.g. a positive event such as a gain). This incongruence elicits a heuristic information processing and a preference for segregated gains and integrated losses, respectively. The interaction of a positive mood and a positive event – on the one hand – induces systematic processing, resulting in a relatively low preference for a segregation of gains. On the other hand, the interaction between a negative mood and a negative event leads to no specific mode of information processing, resulting in a relatively low preference for integrated losses.

This study extends past research by defining the conditions (incongruence between valence of mood a stimulus) that elicit mood management goals. Additionally, the present research adds to the existing knowledge on the conditions of mood influence on information processing. In the context of the valuation of gains and losses mood-management motives (Raghunathan & Corfman, 2004; Wegener & Petty, 1994; Wegener et al., 1995) seem to be more influential than the informational function (Bless et al., 1996) that mood conveys. Further, the present research helps to enhance the understanding of the psychology of valuation and the value function of the prospect theory (Kahneman & Tversky, 1979), showing that valuation depends for a large part on feelings.

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# The Effect of Primed Reference Points on the Shape of Attribute-Value Functions, Attribute Importance, and Choice

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## EXTENDED ABSTRACT

### Introduction

One of the challenges of effective product positioning is to increase the importance of those attributes on which the product performs better than the competition and to decrease the importance of those attributes on which the product performs less than the competition. It is therefore imperative for marketers to comprehend the importance of attributes in judgment and choice (Van Ittersum et al. 2007; Wansink and Van Ittersum 2004). The importance of attributes in judgment and choice is driven by decision-makers' attribute-value functions. Attribute-value functions reflect the idiosyncratic valuation of an attribute at different attribute levels, relative to decision makers' reference points (Tversky and Kahneman 1991). Decision makers' reference dependence, loss aversion, and diminishing sensitivity determine the shape of value functions. As decision makers rely on their attribute-value functions in judgment and choice, the shape of value functions influences the importance of attributes in judgment, and choice (Van Ittersum and Pennings 2007; Van Ittersum et al. 2004). This research examines if, when, and how priming (internal and external) reference points influences the shape of attribute-value functions and as a result the importance of attributes in judgment, and choice.

Priming decision makers' *internal reference points*, reference points stored in decision makers' memory, prior to a judgment task is hypothesized to stimulate them to incorporate their internal reference points when constructing their attribute-value functions, triggering decision makers' reference dependence and feelings of loss aversion (Vaughan 1928). Accordingly, we hypothesize to find more *concave*, *convex*, and *S-shaped* (versus linear) value functions for *primed* decision makers prior to the judgment and choice task than for *unprimed* decision makers. With decision makers relying on their attribute-value functions in judgment, we further hypothesize that the primed reference points influence the importance of attributes in judgment, and choice.

Next, we propose that priming *external reference points*, reference points provided by external stimuli in a judgment and choice task, such that decision makers experience gains (losses) stimulates the construction of concave (convex) value functions. With decision makers relying on their attribute-value functions in judgment tasks, and convex functions being steeper than concave functions, the importance of an attribute among decision makers with primed external reference points representing a loss-prime is higher than the importance of an attribute among decision makers with primed external reference points representing a gain-prime. The choice likelihood of a product performing more favorable on an attribute with an external reference point representing a loss-prime is higher than that of a product performing more favorable on the same attribute with an external reference point representing a gain-prime.

These effects of priming are proposed to be moderated by the extent to which decision makers' attribute-value functions are well-defined, and will be stronger for decision makers with undefined value functions (Carlson and Bond 2006).

### An Empirical Study

To examine our hypotheses, we took a within-subject design approach by priming 201 participants' internal and external refer-ence points in two lab studies. In Study 1, the effects of priming internal reference points were examined for computers (attributes: price, working-memory size (Mb)). In Study 2, the effects of priming external reference points were investigated for cars (attributes: price, fuel efficiency (mpg)).

To establish the *shape of participants' attribute-value functions*, participants rated each product on ten levels of each of the two attributes. To estimate the shape of the value functions, the EXP-IPT technique is applied (Pennings and Smidts 2003). This technique fits the attribute-level valuations for each participant to both the negative exponential function (concavity/convexity) and the log of the inverse power transformation function (S-shape). Based on a pairwise comparison of the Mean Squared Error, the value functions were classified as either concave/convex or S-shaped.

To determine the *importance of attributes in judgment* in both studies, a full factorial judgment task ($2^4$ profiles) was employed. The importance of attributes was calculated by establishing the maximum difference in valuations for an attribute across all attribute levels related to product profiles and dividing it by the sum of the maximum differences of all attributes in the stimulus set. To study the effects of priming on *choice*, participants were asked to make a choice: Study 1 computer 1 ($500, 256 Mb), or computer 2 ($2,000, 1,024 Mb); Study 2: car 1 ($2,500, 9.5 mpg), or car 2 ($8,500, 30.5 mpg). To differentiate between participants with well-defined and undefined value functions, we use participants' knowledge about the product as a proxy for their experience with the relevant attributes and attribute levels (Hoeffler and Ariely 1999) (1=I do not know a lot about [*product*], 9=I know a lot about [*product*]).

To *prime internal reference points*, we stimulated half of the participants to write down the price and the size of the working memory of the computer they work most on prior to the different judgment tasks.

To examine the effects of priming external reference points, participants were randomly assigned to either the $-loss/mpg-gain or the $-gain/mpg-loss prime condition. In the $-loss/mpg-gain ($-gain/mpg-loss prime) condition, participants were informed that "the majority of college students purchase cars with an average price of $2,500 ($8,500) that drives an average of 9.5 mpg (30.5 mpg)."

### Conclusions

We find that priming *internal* reference points influences the shapes of attribute-value functions for decision makers with undefined value functions. Priming their internal reference points stimulates reference dependence and feelings of loss aversion in the value-function construction process. Consequently, more decision makers with concave, S-shaped, and convex attribute-value functions are found among the primed decision makers than among unprimed decision makers. When decision makers' internal reference points are not primed, they are more likely to construe linear attribute-value functions, particularly decision makers with undefined value functions. The effects of priming on the shape of attribute-value functions for decision makers with undefined value functions changes the importance of attributes, and choice.

Priming *external* reference points as gains (losses) also influences the shape of attribute-value functions, but only among decision makers with undefined value functions. Priming external

reference points as gains (losses) increases the likelihood that decision makers exhibit concave (convex) value functions. This effect of primed external reference points has a corresponding effect on the importance of attributes in judgment, and choice.

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# Driving the Extra Mile: The Interplay between Psychophysics and Loss Aversion in Determining Consumer Search Intensity

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## EXTENDED ABSTRACT

This research adds to the existing literature about digressions from optimal consumer search rules. Previously it has been demonstrated that consumers are (irrationally) influenced by relative-savings and not just absolute-savings in their decisions to extend searching for a better deal (Thaler 1980, Kahneman & Tversky 1981). This relative-thinking behavior has it's foundations in the Weber-Fechner law of psychophysics. But most of the studies demonstrating relative-savings behavior have focused on purchase situations devoid of historical reference prices. In real markets consumer's price perceptions, and the consequent search intensity, is likely to be influenced not just by relative-savings but also by how these prices compare to the historically-pegged reference prices in the consumer's mind. In this paper we demonstrate that search intensity is also influenced by whether prices are in a gain- or a loss-state relative to their internal reference prices. When prices are higher than the reference price, consumers are more likely to engage in extended search for a lower price, relative to when prices are lower, even when the absolute saving is the same. This is true for both riskless and risky search situations. This effect is strongest when prices under consideration are in the vicinity of the internal reference price. These findings are contrary to the "absolute-savings" predictions of economic theory and the "relative-savings" predictions of psychophysics. Also, while people have a good metacognitive understanding of the "absolute-savings" and "relative-savings" behavior, their understanding of the impact of loss aversion on search behavior is limited.

All the studies in this paper use a modified version of Thaler's (1980) classic search-willingness problem in which the consumer has an option of purchasing an item at a store or making a 10 minute trip to buy it at another store for $5 less. In the current paper the purchase item is always a tank-full of gasoline and the consumer can either purchase it at a default gas station on her way home, or drive an extra 10 minutes to purchase it from another station at a lower price. Being a frequently purchased item, most participants in these studies had a well defined reference price for gas (around $2.50/gallon). In Study 1, participants in one condition were told that the gas price is $1.79 (gain domain) while in the other condition, gas price was $3.29 (loss domain) at the default gas station. Participants in both conditions were asked (on a 7-point scale) about their willingness to drive to a discounted station and save 20¢/ gallon. Absolute-savings theory predicts no difference in either condition. Relative-savings theory predicts greater propensity to seek a 20¢ discount when the price is lower. However loss aversion predicts greater search intensity in the loss domain when the current prices are higher than the historical reference price. Participants were found to display greater search intensity in the $3.29 condition.

In both conditions in Study 1, the prices were in relative vicinity of the reference price. Given the marginally decaying shape of money's value function, loss aversion is likely to be strongest in this zone. At more distant points, where the value function is flatter, we hypothesize that loss aversion will have a diminished impact.

Study 2 explored price points more distant from the consumer's historical reference price. Besides just $1.79 and $3.29 (both proximal points), participants' propensity to seek a 20¢/gallon saving was also measured at more distant points: $0.79 and $8.29.

Similar to Study 1 results, loss aversion explained greater search propensity for $3.29 condition relative to the $1.79 condition. However, for price points more distant from the reference price, loss aversion's influence is diminished and relative-savings behavior drives search intensity. Consequently, search propensity for a 20¢/gallon saving was found to be greater when gas price was $0.79 than when it was $8.29.

Study 3 explored the consumers' metacognitive knowledge about this behavior. Participants were told about the setup of Study 2 and asked to predict the extent of search intensity in each of the four conditions. Most participants predicted behavior in accordance to the relative-savings theory for all four prices. Very few participants (< 5 %) predicted loss-averse behavior.

Study 4 looked at the prospect of risky search. Here extending search did not guarantee a better deal. Instead there was uncertainty associated with greater search. This meant that extending search was a risky decision. A 2X2 between-subjects design manipulated the (a) gain-loss domain and the (b) risky-riskless search context. As per the gain loss asymmetry, it was hypothesized that people will display greater risk tolerance, by extending search, in the loss domain ($3.29/ gallon) than in the gain domain ($1.79/ gallon), and this effect would be enhanced in the risky search condition. The results were along predicted lines.

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# The Endowment Effect and Its Reversal: Examining Possession Loss Aversion and Focus of Attention

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## EXTENDED ABSTRACT

The endowment effect (Thaler 1980), a well-known phenomenon in decision research, refers to people's tendency to demand much more to give up an object than they would be willing to offer to acquire it. This asymmetry in valuations of an object based on whether it is under one's endowment or not has been explained as a consequence of loss aversion (Kahneman and Tversky 1979). The basic idea of loss aversion is that losses have a greater hedonic impact than gains, so the pain of giving up an item is greater than the joy of acquiring it.

Recently, Brenner, Rottenstreich, Sood and Bilgin (2007) proposed a new psychological mechanism, termed possession loss aversion (PLA). PLA posits that the value of items leaving one's possession is exaggerated relative to the value of items entering one's possession. In other words, the value of an endowed item is exaggerated regardless of its valence, such that attractive items are perceived as more attractive, and unattractive items are perceived as more unattractive. As a consequence, PLA predicts the endowment effect for attractive items, but its reversal for unattractive items. Consistent with PLA, in a series of experiments, Brenner et al.'s results showed a tendency to keep attractive items, but to trade unattractive items.

There is another line of research that brings important insights to choices between unattractive items. Dhar and Simonson (1992) investigated the effects of having an option as the focus of attention in a comparison task. They showed that when two attractive options are being compared, simply making one of the options the focus of attention increases its preference. Conversely, Dhar, Nowlis and Sherman (1999) showed that when two unattractive options are compared, making an alternative the focus of attention decreases its preference. If one can argue that the endowed item receives greater attention than the non-endowed item, this focus of attention principle should predict the endowment effect for choice between attractive items and its reversal for choice between unattractive items, just like PLA.

In fact, this exactly what Carmon and Ariely (2000) showed. They argued that buyers and sellers focus on what each stands to forgo in an exchange, such that sellers are more sensitive to aspect of the item, whereas buyers are more sensitive to the expenditure. Although, they used pricing tasks, it seems reasonable to expect that this attention asymmetry would also occur in choice tasks, such that more attention would be paid to the endowed item (i.e. the item that one would forgo in a transaction).

Given that PLA and an attention-based mechanism predict the same pattern for choice tasks, more research is needed for a better understanding of this effect. In order to contrast the two theories, I turn to pricing tasks. Following one of the scenarios used by Brenner et al. (2007), consider two jobs that only differ in one aspect, such that one involves working on some weekends and the other does not. How much would one demand to switch to the job with the weekends requirement? How much would one offer to switch from the job with the weekends requirement? From a PLA standpoint, a negative item seems more unattractive when it is under one's possession, so people should tend to offer more to part with a negative item than they should demand to acquire it, as the

hedonic impact of items that leave one's possession are greater than the hedonic impact of items entering ones' possession.

At first, a prediction based on an attention-based principle might not be clear, as in one condition a person forgoes both money and the item, while in the other condition, the person receives both. In this case, for each person, there seems to be no difference in the amount of attention paid to the item and the expenditure. I propose that pricing of the negative items can be viewed in an alternative and perhaps more natural way. Reexamining the jobs scenario (and any other scenario involving pricing of an unattractive item), I argue that a person that is paying to part with the weekend requirement is actually buying his/her weekend time. Similarly, a person setting a price to accept the working on weekends requirement can be said to be selling his/her weekend time. In this sense, this scenario becomes a clear buying and selling situation and as such, buyers are expected to focus on the money and sellers on the item (weekend time). Considering weekend free time, instead of working on weekend requirement as the item being bought or sold, following an attention-based mechanism we should expect selling prices to be higher than buying prices.

Two experiments showed consistent support for an attention-based mechanism over PLA. In experiment 1, using the job scenarios described above, participants were willing to accept a 10.4% reduction in their salaries to part with the weekend requirement. On the other hand, participants required a 23.9% raise to accept the weekend requirement (z=4.23, p<.01). In experiment 2, participants were asked to consider a task consisting of a few hours of a tedious work as a punishment for losing a library book. Participants that could pay not to do the work were less sensitive to the amount of work ($18.9 vs. $36.7) than participants that would get paid to do the work replacing a friend ($30.0 vs. $98.9), F (1, 69)=10.0, p<.01. These results validate the proposed view of selling and buying time, as sellers were more sensitive than buyers to changes in the item (amount of work).

In conclusion, the present research suggests that the reversal of the endowment effect for unattractive items observed in choice tasks may be the result of heightened attention to the endowed item, which in turn decreases its attractiveness and not due to a psychophysical property inherent to how people make evaluations as suggested by PLA.

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# Bipolar Scales Mask Loss Aversion

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## EXTENDED ABSTRACT

Loss aversion (Kahneman & Tversky 1979), which is well established in choice scenarios, is commonly assumed to be due to the anticipation that losses will have a greater effect on feelings than equivalent gains (Ariely, Huber, & Wertenbroch 2005; Kahneman & Tversky 1984; Kermer, Driven-Linn, Wilson, & Gilbert 2006; Zhang & Fishbach 2005). But loss aversion has proved difficult to detect in judgments of feelings (Mellers, Schwartz, Ho, & Ritov 1997; Rozin & Royzman 2001). We argue that loss aversion is disguised in judgments of feelings because bipolar scales, which are typically used to measure evaluative judgments (e.g., attitudes, emotions, and moods), inhibit its detection. When a scale is bipolar, people rate opposite-valence outcomes separately on the positive and negative portions of the scale, so that positive and negative outcomes are not compared directly (see Marsh & Parducci 1978). We present response modes that encourage comparative processing across valence, as occurs in choices, and show that losses loom larger than gains in judged feelings. Loss aversion is better detected in judged feelings when the response mode implicitly encourages comparisons of negative outcomes to positive outcomes, and loss aversion is best detected when people explicitly compare the intensity of their feelings about an outcome to their feelings about opposite-valence outcomes in a manner similar to a choice process. Furthermore, when feelings are measured with a comparative response mode, the loss aversion detected in feelings accurately predicts loss aversion in choices.

In Study 1, we asked participants to imagine that they would play a gamble that had a 50% chance to win $200 and a 50% chance to lose $200. Participants judged how they would feel about winning the gamble and how they would feel about losing the gamble. Judgments were made on either a bipolar scale, a unipolar scale of intensity, which ignores valence and measures only the magnitude of feelings, or a relative intensity scale, which requires the explicit comparisons of feelings about opposite-valence events (e.g., Which outcome would have a greater effect on your feelings?). While loss aversion was not present in bipolar scale ratings, evidence for loss aversion was present in responses on the unipolar intensity scale, which implicitly encourages comparisons of the gamble outcome. The greatest evidence for loss aversion in judgments occurred for the relative intensity condition which involves a judgmental process that mirrors a choice process.

In Study 2, we replicated the differences in the detection of loss aversion for judgments on a bipolar scale versus relative-intensity scale for an equal probability gamble to win or lose $50. We also showed that (loss averse) judgments on the relative intensity scale predicted respondents' unwillingness to play the gamble. Bipolar scale judgments did not predict risk averse preferences, which incidentally, were the same in both response mode conditions.

Studies 3 and 4 extend our findings to non-monetary outcomes and address criticisms that loss aversion in judged feelings is an affective forecasting error (Kermer et al. 2006). We show that bipolar scales mask loss aversion and comparative judgment tasks reveal loss aversion for judged feelings about pleasant and unpleasant images from Lang et al.'s (1999) International Affective Picture System. Participants were shown sixteen images and were asked to judge the intensity of the affective reactions to the pictures on a bipolar scale and a unipolar intensity scale with a short break in between each measure (Study 3). Even when the scales were used within-subjects, participants judged the unpleasant pictures to be more intense and the pleasant pictures to be less intense on the unipolar (comparative) scale than on the bipolar scale. When the procedure was replicated with the same pictures for a bipolar scale and relative intensity scale, the findings were consistent with the conclusion that loss aversion in actual feelings was present in the comparative judgment task (Study 4). When pleasant and unpleasant pictures were assigned the same level of intensity on the bipolar scale, those same pictures were judged to be unequal on the relative intensity scale, with unpleasant pictures overwhelmingly more likely to be judged as more intense.

In summary, we show that bipolar scales tend to mask evidence for loss aversion in feelings because the scale discourages comparative judgments of intensity across valence. Respondents seem to use different sized category values for positives and negatives. Judged feelings show evidence of loss aversion to the degree people judge the intensity of a negative outcome relative to that of a positive outcome. Opposite-valence judgments that are more comparative resemble choice processes, which improve the detection of loss aversion in judgment. Moreover, the loss averse judgments in the comparative judgment task predict loss aversion in choices, whereas judgments on the bipolar scale do not. Finally, we show that loss aversion is evident in actual reactions to emotional stimuli, linking loss aversion to a more general phenomenon of negativity bias (see Cacioppo & Berntson 1994; Baumeister, Bratslavsky, Finkenauer, & Vohs 2001; Rozin & Royzman 2001).

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# The Hungry Ghost Dinner and Auction: Real-World Auction, Other-World Meanings

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## EXTENDED ABSTRACT

The Hungry Ghost Festival is celebrated in indigenous and diasporic Chinese communities around the world during the seventh month of the Lunar Calendar. The festival has several mythologies relating to its origins and religious significance. Traditional festivities have evolved over the years and have incorporated urban folklore and other cultural practices. In particular, for the Chinese community in Singapore, an integral event that has taken prominent place is the Hungry Ghost Dinner Auction (HGDA). The HGDAs are laden with socio-cultural meanings and exhibit immense economic potential and impact. With an estimated 200 events taking place over the entire month at about an average of S$30,000 spending per event, it is a multi-million dollar industry.

Given the recent interest in auction theory due to the proliferation of Internet auction sites, this paper seeks to enhance the understanding of the bidding behavior and the social interactions of bidders in a live auction setting, and the extent to which social and cultural goals influence the bidding behavior of auction participants. In particular, this paper asks the following research questions: (1) What motivates participants and bidders to attend and be involved in the HGDA? (2) What is the psychology of bidding when the final prices paid are exorbitantly higher than the economic value of the goods?

I first review the literature on motivations for attending auctions and the psychology on bidding. There are many reasons (economic, social, psychological and otherwise) for participation in auctions. In the literature on auctions, the phenomenon of overbidding has been frequently observed. In common value auctions, people may bid past their limits because they are using personal and social information to evaluate an item's value. The psychology of overbidding can be attributed to various factors such as the winner's curse, escalation of commitment and auction fever (or competitive arousal). The time-compression of decision making and the adrenaline-charged atmosphere combine to make live public auctions a crucible for highly emotional and fiercely competitive manifestations of bidding behavior.

The principal researcher and the research team visited over forty locations where the Hungry Ghost events were held over the duration of the lunar seventh month. These auctions represented diversity in terms of the scale of operations with tables ranging from twenty to two hundred (an equivalent of two hundred to two thousand guests). Ethnographic techniques were used for data collection. Organizers and participants were interviewed before and during the dinner and auction. The research team also observed the proceedings and took detailed fieldnotes which were further supplemented with photographs and videos. The textual and visual data were reviewed, organized and analyzed within each auction and across auctions. The research context is described with an emphasis on the auction mechanism and auction items. The funds raised in the current HGDA are used to organize the following year's HGDA, and successful bidders have up to a year to pay for the items.

Reasons like those suggested by Greenleaf (2004) such as getting a good bargain and paying prices lower than those at fixed price retailers do not exist in the HGDA as other social and emotional reasons for participating in the HGDA take precedence. The consensual and cooperative nature of the exchange is apparent in the case of the HGDA. Dinner guests and auction participants are first and foremost constrained by social obligations to attend the event. Showing up at the event means "showing face" to the important people in one's business and social community and an opportunity to return the favors of business associates. The HGDA participants who bid for such items are often able to enhance their standing in the community through the social visibility and prestige that such participation brings.

HGDA bidders appear to be paying exorbitantly high prices for the various categories of auction items. Although most of the HGDA items have some value outside the auction, these values are dramatically enhanced within the context of the HGDA. For example, a DVD player which retails for S$300 can fetch a final bid of S$600. A stack of twenty oranges that costs no more than S$10 from a neighborhood grocer is considered an auspicious item worth hundreds of dollars in bids when it is decorated with elaborate trimmings and prayed over by a priest

The construction of value takes place in a web of complex social relations as bidders are extensively influenced by others in the cultural context of the HGDAs. The effect of social facilitation is strongest because of the live auction setting and the social prestige factor involved. Bidders are happy to put in high bid amounts because they feel they are giving back to the community and fostering good business relationships. In addition to social facilitation, the participants believed that their decisions and actions have important cosmic influence. They are pleasing the gods, and helping to take care of the "good brothers" (i.e., the hungry ghosts). For participants and bidders at the HGDA, the auctions are more than a process of assigning values to material goods. For them, the symbolic value they derived is the social recognition they are accorded as being part of the real-world community and the satisfaction of performing the duty of compassion for the other-world community of hungry ghosts.

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# Triggers of Extraordinary Experiences Within A Sub-cultural Consumption Event

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## EXTENDED ABSTRACT

Extraordinary experiences (EE'S) are extremely happy (Maslow 1961; 1970), highly enjoyable (Csikszentmihalyi 1990; 1997), and fully absorbing (Quarrick 1988) mental states of being that exceed consumers' day-to-day levels of emotional intensity. There has been growing recognition (McAlexander and Schouten 1998; Schouten and McAlexander 1995) that extraordinary experiences are influential in the formation and maintenance of consumption communities (e.g., Kozinets 2001; McAlexander and Schouten 1998; McAlexander, Schouten, and Koenig 2002; Muniz and O'Guinn 2001; Muniz and Schau 2005; Oliver 1999).

Extraordinary experiences involve absorbing, flow, and peak experiences. Privette (1983) demonstrates that peak and flow experiences have overlapping characteristics–included in these characteristics is absorption, which she describes as critical to full involvement and is "perhaps equally pertinent to enjoyment and peak experiences." (Privette 1983, p. 1363). In this study, we are not looking to differentiate between the three constructs–rather, we are looking at the common links between the three that tap into the construct of extraordinary experiences. The common characteristics between these constructs of interest to this study are happiness, enjoyment, fun, pleasure, involvement, and absorption (Privette 1983; Privette and Sherry 1986). To date, there is virtually no research on what facilitates extraordinary experiences in a consumption-related context. An understanding of what triggers extraordinary experiences would provide insight into consumption communities that goes beyond our current knowledge. The current study works to uncover triggers of extraordinary experiences.

Last year an estimated 200,000 plus bikers attended Biketober Fest (Daytona Beach Chamber of Commerce 2006) to celebrate the brotherhood of bikers. It is a male-dominated event that, as the name implies, revolves around motorcycles, specifically the Harley-Davidson brand. Many bikers return each year for the social activities which include: barbeques and pig-roasts, band concerts, wet t-shirt and bikini contests, women's mud and coleslaw wrestling, tattoo and "beer-belly" competitions, motorcycle races, and custom bike shows, among others. But more than offer hedonic activities, Biketober Fest was chosen for study because of its potential for extraordinary experiencing (Schouten and McAlexander 1995), representing one of the largest motorcycle rallies worldwide. These factors make this event an ideal context for this study.

Using a random street intercept on the most commonly-traveled thoroughfare, a representative sample of the biker population was obtained. Structural equations methodology (Joreskog and Sorbom 2003) was employed to test the hypotheses. Both exploratory factor analysis (EFA) and confirmatory factory analysis (CFA) were both completed with results as expected. The model's fit to the data is respectable [$c^2(193)$=255.50, p=.002; RMSEA=.035; GFI=.92; AGFI=.90; NFI=.92; NNFI=.97; CFI=.98].

Consistent with prior work on triggers of peak and flow occurrences (Csikszentmihalyi 1975; Laski 1961; Maslow 1971), the pursuit of cutting-edge knowledge facilitates EE's. Consumption events such as Biketober Fest enable attendees to discover the latest advances in bikes and custom bike-building first hand. Pursuing motorcycle knowledge also had a positive influence on biker camaraderie, the strongest relationship in the model. With so many bikers in attendance, the common interest that brings them together leads to social interaction where thoughts and ideas about bikes are exchanged.

Biker camaraderie had a direct positive influence on Biketober Fest participants' EE's. This finding is inline with other research (Csikszentmihalyi 1975; Lanier et al. 1996; Yeagle et al. 1989) suggesting that sociable interaction with others may help to facilitate EE's. The appreciation of others both during and after an extraordinary experience may also help to explain why comradeship and a sense of brotherhood are so strong within the biker subculture. To be acquainted with someone before striking up a conversation is not necessary. The strength of the subculture gives members the ostensible right to treat every other biker as a friend or brother.

Previous work (Laski 1961; Maslow 1971; Quarrick 1989) recognizes that sex or even the possibility of sex (Lanier et al. 1996) can trigger EE's. In this study, women's sexual openness had a direct influence on the EE's of Biketober Fest participants. Additionally, women's overt sexuality had a positive effect on bikers' sub-cultural values. It is reasonable that women's sexual openness reinforces a dominant set of values including male domination and sexual freedom (Schouten and McAlexander 1995). Maslow (1971) noted that individuals who experience peaks frequently perceive it as a kind of perfection, or close to it. Events like Biketober Fest may likely be perceived as approaching a kind of sub-cultural perfection that is consistent with bikers' preferred state of being (see also Csikszentmihalyi 1990; 1997) where men dominate and women are subservient.

Based on the rationale that common interests spark comradeship, women's sexuality was initially thought to have a positive influence on biker camaraderie. On the alternative, reciprocal relations were evaluated in favor of a model whereby the effects of sexuality and camaraderie are symmetrical. Some flashing we observed during data collection was clearly instigated by male bikers who encouraged women to bare their breasts. Sexuality, however, did not directly impact bikers' subcultural values when tested for significance. To further clarify relations between the constructs, several researchers adopted the role of participant-observer to document flashing incidents. While on two occasions women openly displayed their breasts with little provocation, multiple observers agreed that in most instances there was interplay between the bikers and women involved.

One remarkable characteristic of EE's is the self-centering that the individual experiences. The EE's of Biketober Fest participants had a direct positive influence on their belief strength in subcultural values. According to Schouten and McAlexander (1995), to be members of a consumption subculture they must believe in a common set of values. The finding that bikers' EE's at the event reinforced dominant values of freedoms and machismo provides quantitative support for their ethnographic findings on the biker subculture. Although previous research suggests a positive directional relationship resulting from these triggers (Privette 1983, McAlexander Schouten and Koenig 2002, Maslow 1970), we acknowledge the possibility exists that these are consequences of extraordinary experiences as well.

From a managerial perspective, consumption events designed to facilitate EE's can enhance brand loyalty and consumption frequency (Csikszentmihali 1975; Laski 1962; Maslow 1971). Pleasurable events designed to keep consumers apprised of advances in products/brands or provide piquant sexuality can trigger experiences that are extraordinary. Alexander, Schouten, and Koenig (2002) show that brandfests can enhance brand communities, lead to more positive relationships between consumer and product/brand/company/other consumers, and increase feelings of integration into the brand community. Absorbed in the activities, Biketober Fest participants enjoyed themselves and felt free to do what comes naturally. For bikers, many of these activities contain strong sexual overtones. We should note here that, although sex appeals are used to promote a variety of products/brands, but for some consumption communities (e.g., Marti Gras goers and Spring Breakers), sexuality this overt would probably be too intense.

Through events that facilitate EE's, a reciprocal set of benefits between consumers and the organization accrues over time. Alexander, Schouten, and Koenig (2002) show that Jeep has benefited in community-building efforts through high repurchase rates of participants. Harley-Davidson's involvement with the biker subculture provides a good example. Harley maintains a strong presence at Biketober Fest and similar biker events by staging and funding many activities and seminars. In contrast to a mundane daily existence, the emotional responses EE's generate are extremely desirable (Csikszentmihalyi 1990; 1997; Maslow's 1968) so consumers want to repeat them. The finding that respondents in the sample had attended the event an average of seven times lends support. In turn, the organization's product/brand is associated with the extremely positive emotions that consumers experience. More than purchase, consumers are likely to purvey their knowledge of the product/brand to close family members, friends, and other constituents.

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# Procedural Priming and Consumer Judgments: Effects on the Impact of Positively and Negatively Valenced Information

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## EXTENDED ABSTRACT

When consumers search for information about a target product, they actively employ a search strategy that permits them to gather information efficiently and to construe its implications (Janiszewski, 1998). For example, they might first consider attributes that have favorable implications before other attributes that might disconfirm these implications. Alternatively, they might focus on unfavorable attributes and only later consider information that would qualify them. When consumers are unable or unmotivated to process all of the information they receive, the procedure they use to search the information is likely to influence their impression of its referent (Diehl and Zauberman 2005).

The present research examined the influence of a procedure's accessibility in memory on consumers' information search and their impression of the object. We expected that stimulating individuals to apply a particular strategy in searching for information in the course of performing one task would increase their likelihood of applying this strategy when processing information in a second, unrelated situation they encounter subsequently. The effect of applying this strategy in the second situation will be more evident when the motivation and ability to search for information is low than when it is high.

The information that consumers identify and use as a basis for evaluating a product may be influenced by both the concepts that happen to be accessible in memory and the type of search procedure they employ. In some instances, however, the effects of the two types of knowledge can be opposite in direction. It is therefore important to distinguish between the two types of knowledge and when their effects are likely to predominate.

In the first study, we manipulated both the search strategy that participants employed and the time they were given to apply it. Some participants were exposed to five products and are told to decide whether they would choose each product by circling either "yes" or "no". Others were told to indicate whether they would reject each product by circling one of these alternatives. Then, in an ostensibly unrelated shopping questionnaire, they were asked to form impressions of a computer described by 10 attributes. They were told that they would have either 15 seconds or as much time they liked to form their impressions.

Participants were expected to identify favorable attributes before considering unfavorable ones in the course of deciding whether to choose products in the priming task, but to identify unfavorable attributes before favorable ones in the course of deciding whether to reject them (Shafir 1993). Furthermore, these search strategies were expected to generalize to the product evaluation task they performed subsequently. When they did not have an opportunity to consider all of the attributes presented, therefore, participants were expected to evaluate the product more favorably in the first condition than in the second. When they had as much time as they wanted, however, this difference was expected to be minimal. The results of experiment 1 were consistent with these predictions.

Experiment 2 confirmed this conclusion using a different priming procedure. Participants rank ordered a set of product attributes either from most attractive to least attractive or from least attractive to most attractive. After that, they evaluate two products each described by 10 attributes. They had either 15 seconds or as much time they liked to form the impression.

Rank ordering attributes from most to least attractive was expected to activate a procedure of searching for positive attributes (Schwarz and Wyer 1985). Correspondingly, ranking attributes from least to most attractive should lead to greater weighting of negative attributes. These attentional biases were expected to generalize to the task that participants performed subsequently. This effect was expected to be evident only when participants did not have time to read all of the attributes. The results of experiment 2 confirmed this expectation.

In the third study, both concept and procedure accessibility were manipulated. In *procedural* priming conditions, participants were exposed to prices of the rooms available in 10 hotels in each of three cities. They were asked to rank the prices in each city either from highest to lowest or from lowest to highest. In *conceptual* priming conditions, participants only saw five prices of hotel rooms in each city. In some conditions, however, these were the five highest prices in the list that was presented under procedural priming conditions, and in other cases, they were the five lowest prices in the list.

Then, participants were asked to read over the prices of rooms in hotels of one city and try to form an impression of the average price of hotel rooms in that city. Participants in high information load conditions were asked to form an impression on the basis of 24 prices, whereas those in low information load conditions formed an impression on the basis of only six prices.

We expected that participants in procedural priming conditions would judge the average price of hotels in the second task to be more expensive if they had ranked prices in the first task from highest to lowest than if they had ranked them from lowest to highest. As in experiment 2, however, the effect should only occur when participants found it difficult to process all of the price information they were given. In contrast, we expected that participants in conceptual priming conditions would evaluate the hotels in the second task as less expensive when they had been exposed to high prices in the first task than when they had been exposed to low prices, and that this would be true regardless of the amount of information they were asked to consider (Adaval and Monroe 2002). The results of the third study confirmed these expectations.

The fourth study manipulated both procedure and concept in a different way. Similar to experiment 3, participants still ranked order prices from highest to lowest or from lowest to highest. However, although some participants ranked low prices, others ranked high prices. Again, participants evaluated the hotels in the second task as more expensive if they had ranked prices from highest to lowest. However, they evaluated the hotels as *less* expensive if the set of prices they had ranked were high than if they were low.

In combination, our studies demonstrated the effect of procedural knowledge on information search and impression formation. More importantly, the third and fourth studies provided one of the first demonstrations of the different effects of procedural priming and conceptual priming in a single research paradigm.

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# Left-Right, Left-Right: The Effects of *Digit-Direction* On Eye Movement Bias and Price Encoding Strategy

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## EXTENDED ABSTRACT

A number of studies in the behavioral pricing literature have examined the "greater-than-expected" demand associated with 9-ending prices (e.g., Schindler and Kirby 1997; Schindler and Kibarian 1996). Researchers have argued that this greater-than-expected demand is due to the use of a truncation (i.e., "rounding-down") price encoding strategy, which involves representing a price in memory in terms of its left-most digits only. The left-most digits are more likely to be remembered than the right-most digits because they are encountered first as prices are read from left-to-right, and because they represent the more valuable parts of the price information.

We argue that the rounding down of prices may depend not only upon the left-to-right processing of numeric digits, but also upon the "directionality" of digits. Directionality refers to the left or right-facing orientation of particular numbers-that is, consumers perceive these numbers as "pointing" or "facing" in a particular direction. We show that the digits 1, 2, 3, 4, 7, and 9 are perceived as "left-facing," 5 and 6 are perceived as "right-facing," and 0 and 8 are perceived as "neutral."

We further demonstrate that the perception of digit directionality may create eye-movement bias, which can lead consumers to direct their attention to the left or to the right of the specific digits employed. Eye movement bias is established through the use of a classic visual (optical) illusion (i.e., the Mueller-Lyer illusion). The M-L illusion consists of two lines which are equal in length-one of the lines has outward-facing "tails" on its ends, the other has inward-facing tails. The line with the outward (inward) facing tails is perceived as longer (shorter) than the one with the inward (outward) facing tails, because the eye tends to be pulled in the direction of the extraneous stimuli (i.e., tails), resulting in an over-(under-)estimation of length.

Research has demonstrated that the extraneous stimuli (tails) in the M-L illusion need not be inwardly or outwardly sloped lines; the effect is possible as long as the configuration of elements making up the characters exhibit non-symmetrical left-right variation (Coren 1986). Thus, in Experiment 1 we utilize combinations of left and right-oriented digits to correspond to the extraneous stimuli. A left-facing digit on the left and a right-facing digit on the right (e.g., $7-5) are substituted for the two outward facing extraneous stimuli, whereas a right-facing digit on the left paired with a left facing digit on the right (e.g., $5-7) are substituted for the inward facing stimuli. We find that the perceived physical distance between outward-facing prices is greater than the perceived physical distance between inward-facing prices. Our results lead us to conclude that digit direction creates eye movement bias, which influences physical distance estimations.

In the case of multi-digit prices, we expected that the eye movement bias resulting from digit directionality should influence the degree to which *contiguous* digits are attended to and encoded, thereby impacting price rounding behavior. We argue that bias toward (or to the right of) a particular digit should increase the likelihood that the digit is processed and encoded, whereas bias away from (or to the left of) a particular digit should decrease the likelihood that the digit is processed and encoded. As the likelihood of processing a particular digit increases, the likelihood of rounding that digit to the nearest whole number decreases. Results from a second Experiment confirm our expectations. The important practical implication of our findings is that digit direction can result in greater-than-expected demand for an item at a particular price.

We suggest that future research efforts should be directed toward investigating the effects of digit directionality on other price combinations; future research efforts might also employ eye-tracking devices to more directly confirm the theoretical eye-movement bias→attention→price truncation linkage.

*References are available upon request.*

# The Effect of Communication Norms on Interpretations of Meaningless Information

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## EXTENDED ABSTRACT

Literally meaningless product attributes, such as "Yucca schidigera extract" in cleansing gel, are objectively uninformative and, therefore, should have no impact on product evaluations. In fact, however, consumers often assume that such attribute descriptions are both informative and relevant to the product being described (Carpenter, Glazer, and Nakamoto 1994). The present research examined the effects of these descriptions and their contingency on both (a) the source of the ad containing the descriptions and (b) consumers' knowledge about the type of product being advertised.

Print advertisements are often conveyed in magazines that target different readerships. For example, *You* is a popular magazine that aims to provide information about shopping, food and traveling that is of use to general readers. However, *Beauty Expert* is a professional magazine whose mission is to provide medical consultation to beauty specialist and beauty saloons. Consumers will hold a different normative expectation for the product information that is communicated by each source. Because *You* targets consumers at large, it is expected to communicate information that can be easily understood by ordinary consumers. Because magazines such as *Beauty Experts* target specialists, however, consumers may expect them to convey more complex product information that experts will find valuable.

When consumers read an ad from a professional magazine that contains literally meaningless information, they may perceive it as confirming their normative expectation that the magazine conveys complex and detailed product information. They may therefore attribute their inability to comprehend it to their lack of knowledge about the product category and may infer that it actually provides valuable and positive information about the product. If they encounter the same ad in a popular magazine, however, they may perceive the meaningless information as deviant from the norm. Then, they may attribute their inability to comprehend the information to the advertiser's intentions to be persuasive. As a result, they may discredit the information and evaluate the product negatively.

These differences, however, may only occur among consumers with relatively high knowledge about the product category, who can judge whether the meaningless information conforms to the norm or deviates from it. Unknowledgeable consumers may attribute their failure to understand the objectively meaningless information to their lack of familiarity with the type of product being advertised and may assume that it is meaningful regardless of the source. To this extent, this information may have a generally positive influence on their judgments. Furthermore, these consumers may also use the source as a heuristic. That is, they may evaluate the product more favorably when it is advertised in a professional magazine than when it is advertised in a popular magazine, and this may be true regardless of whether the ad contains literally meaningless information or not. To formalize these predictions:

H1a: When an ad is contained in a professional magazine, consumers will interpret literally meaningless information in the ad to be meaningful and will evaluate the product more favorably than they would if the ad did not contain this information.

H1b: When an ad is contained in a popular magazine, consumers will interpret literally meaningless information in the ad to be meaningless and will evaluate the product less favorably than they would if the information were not contained in the ad.

H2: These effects will be more evident when consumers are knowledgeable about the type of product being advertised than when they are not.

Two experiments evaluated these hypotheses. First, a pretest was conducted to select product categories about which participants had different amounts of knowledge. Males reported higher knowledge about *beer*, drank beer more often, and knew more real brands of beer than females did. Correspondingly, females reported having greater knowledge about *cleansing gel*, used cleansing gel more frequently and knew more real brands than males did. By using these categories in the main experiments and pooling over genders, the effects of participants' knowledge were determined independently of the type of product being judged.

*Experiment 1* verified the assumption that consumers hold different normative expectations for the messages communicated by different sources. We assumed that both knowledgeable and unknowledgeable consumers would expect a popular magazine to convey information that general consumers will understand, but would expect a professional magazine to communicate complex product information that only experts might appreciate. This was the case. Participants generally thought that the ad with meaningless information fit the professional magazine better whereas the ad without meaningless information fit the popular magazine better. In addition, knowledgeable participants interpreted the meaningless information to be meaningful when the ad was taken from a professional magazine, but as meaningless when the ad was taken from a popular magazine. In contrast, unknowledgeable consumers interpreted meaningless information similarly regardless of the source of communication.

*Experiment 2* determined the effects of these factors on product evaluations. Our hypotheses were again confirmed. When a product ad was ostensibly advertised in a professional magazine, adding literally meaningless information into the ad *increased* participants' evaluation of the product. In this case, consumers apparently interpreted the information as meaningful and favorable. When the ad was ostensibly conveyed in a popular magazine, however, adding literally meaningless information *decreased* consumers' evaluation of the product because consumers discredited both the meaningless information and the meaningful information. Moreover, these effects only occurred when participants had relatively high knowledge about the product category under consideration. Unknowledgeable consumers, however, generally liked products better when they were advertised in a professional magazine than when they were advertised in a popular one, regardless of the type of information conveyed.

In the first two experiments, the difference in consumers' objective knowledge about the product category and their subjective knowledge about it were confounded. *Experiment 3* avoided this confound by manipulating consumers' perceptions of their knowledge about the product category experimentally, indepen-

dently of their actual knowledge. The effects of subjective knowledge on reactions to meaningless information, and its contingency on the source of the ad, paralleled those observed in Experiment 2, indicating that subjective knowledge and not actual knowledge was responsible for these effects.

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# Sunk Cost Effects in Consumer Decisions: Role of Anticipated Regret

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## EXTENDED ABSTRACT

One should base one's decision on the incremental costs and benefits of undertaking any action. Thus, a prior cost or investment that already occurred in the past should not influence a current decision. Yet, it often exerts a strong influence. This "sunk cost" effect has been previously demonstrated in numerous settings (e.g., Arkes and Ayton 1999; Conlon and Wolf 1980; Garland 1990; Heath 1995; Moon 2001; Soman and Cheema 2001; Staw and Hoang 1995). The effect has been also demonstrated when the sunk cost is related to time as well as to money (e.g., Soman 2000). The present research attempted to extend the literature by examining various alternative mediating processes that might be responsible for the effect and identifying boundary conditions for the effect that have not been previously investigated.

Several explanations of the sunk cost effect have been proposed by various researchers (see Arkes and Blumer 1985 for a review). There are at least, five processes that are potentially responsible for the effect: *perceived cost of future action, perceived benefit of future action, anticipated regret from inaction, perceived wastefulness,* and *perceived justifiability*. The present research examined these alternative mediators in two ways. First, self-report measures of mediators were obtained and their mediation role was tested in covariate analyses. Second, a regulatory focus (promotion focus versus prevention focus) and regulatory fit, both of which were likely to influence the level of anticipated regret from inaction, were experimentally manipulated and their impact on the sunk cost effect was then examined.

Three experiments were conducted to examine the sunk cost effect in situations in which people who either had purchased an outdoor concert ticket (sunk cost conditions) or just obtained it for free (no sunk cost conditions) had to decide whether or not to attend the concert in an adversary situation (e.g., in a very cold weather). In addition to this sunk cost variable, Experiment 2 manipulated participants' regulatory focus, and Experiment 3 manipulated the regulatory fit between the regulatory focus (promotion focus versus prevention focus) and the frame of an ad message for the concert (fit versus non-fit).

Results from the experiments consistently showed a significant sunk cost effect. That is, participants in the sunk cost conditions were more likely to attend the concert, compared to those in the no-sunk cost conditions. This effect was true regardless of whether the dependent measure was a dichotomous variable (i.e., Y/N decision) or a continuous variable (i.e., intention ratings).

In addition, results from the experiments provided consistent support for the mediation role of anticipated regret from inaction. First, in all three experiments self-report ratings of anticipated regret from inaction were obtained and their mediation role was analyzed. Results indicated that the ratings were significantly higher in the sunk cost conditions than in the no-sunk cost conditions. Furthermore, controlling the ratings as a covariate eliminated the effect that the sunk cost manipulation had on decisions. This suggests that the anticipated regret was responsible for the sunk cost effect. Second, Experiment 2, which manipulated individuals' regulatory focus, showed that the sunk cost effect was significantly moderated by the regulatory focus. That is, the effect was restricted to conditions in which participants were promotion focused. This provides additional support for the mediation role of anticipated regret from inaction.

Experiment 3, which manipulated the regulatory fit between participants' regulatory focus and the message frame of an ad, showed that the sunk cost effect on decisions was more pronounced when there was a regulatory fit between the ad message and individuals' regulatory focus than when there was a non-fit. This effect was likely to be due to the increased level of anticipated regret in the former conditions, compared to the latter conditions. This suggests that the moderation effect of the regulatory focus found in Experiment 2 may not be simply due to the promotion nature of individuals. It may be rather due to the matches between the type of decision target (e.g., promotion vs. prevention-focused ad message) and the individuals' regulatory focus.

Finally, these and other results suggest that decision makers' anticipated regret from inaction is the reason for the sunk cost effect to occur. Theoretical and managerial implications of findings are discussed.

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# The Perceived Value of Time in a Transaction

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## EXTENDED ABSTRACT

Prospect Theory (Kahneman and Tversky 1979) focuses on people's perceptions of monetary gains or losses. This theory has been applied to various marketing areas, such as reference pricing, purchasing choices, gift giving, and insurance purchases (Thaler 1985; Erdem, Mayhew and Sun 2001; Lemon and Nowlis 2002). Considering that searching and purchasing a product or service "costs" consumers' time (i.e., require time to accomplish) (Becker 1965; Zeithaml 1988; Okada and Hoch 2004; Leclerc, Schmitt, and Dube 1995), Prospect theory should be able to explain consumers' perceived values of time. Prior research has applied this theory to consumers' perceptions of wait-time (Leclerc et al. 1995; soman 2001). However, previous studies in this area all used scenarios and asked for the participants to recall their feeling of waiting. The current research argues that unlike money, judging the value of time is not a routine activity to consumers; the perceived value of time or the feeling of waiting is hard to retrieve accurately from memory. Therefore, an actual waiting scenario is created to test whether Prospect Theory is possible to explain consumers' perceived values of time during a transaction. In addition, consumers' perceptions may be different when they are in a hurry than when they are not in a rush. Past research indicated people are more concerned about time when they experience pressure from lack of adequate time (Schriber and Guteck 1987; Edwards, Baglioni, and Cooper 1990). Time pressure, then, is a covariate in the current research.

The value function of Prospect Theory has three major features. First, the value function is defined over perceived gains and losses relative to some natural reference point. Second, the value function is described as a concave line for gains and a convex line for losses. Third, the loss function is steeper than the gain function. As stated above, if one treats time spent on a purchase as a cost, then these three features of Prospect Theory may also be applied to consumers' perceptions of time in three ways. First, consumers feel happier, when the actual time they spend during a transaction is less than their expected time; whereas consumers are annoyed or frustrated when the actual time of a transaction is more than the expected time. Second, the marginal perceived value of saving time decreases as the magnitude of the time difference increases, while the marginal perceived loss of waiting decreases as the magnitude of the time difference increases. For instance, Ms. A, who wastes an extra 30 minutes while banking because a clerk suddenly left for lunch, should feel less unhappy than Mr. B, who waits 30 minutes due to two clerks leaving for lunch one after the other. The 30 minutes of extra waiting for Mr. B is separated into two sections since two clerks left, making it more annoying than Ms. A's experience, even though they both waited an identical 30-minutes. Third, the perception of a negative value (i.e., waiting a longer time) is larger than the positive value (i.e., waiting a shorter time) over the same time period. For example, Ms. C saves 15 minutes and Mr. D wastes 15 minutes: Mr. D's aggravation due to the experience of losing 15 minutes is likely to be greater than Ms. C's pleasure associated with gaining 15 minutes.

This experiment employed a computer program to simulate the wait-time in a bank. Participants were randomly assigned into one of four computerized experimental conditions: opened counters once, opened counters twice, closed counters once, and closed counter twice. The experiment consisted of a 2 (opened or closed counters) × 2 (once or twice) between-subject design. The depen-dent variable is the consumer's perceived value of time. The computer program simulated the waiting conditions in a bank as well as assigned numbers to indicate turn of service. After several virtual customers were served, participants built up an expectation for their wait-time which would be their internal reference point for further saving or losing time later. During the waiting process, one or two counters opened or closed to speed up or slow down the service. The feeling of gaining or losing time was then created.

A 2-way ANCOVA is employed on the data set of 93 respondents to examine the relationship between the gains or losses of time and the perceived value of time, with time pressure as the covariate. The results indicate that the three features of Prospect Theory are also applicable to consumers' perceived values of time. First, consumers' perceived value of time is defined as their perceived time gains and losses relative to their expected wait-time as the reference point. Second, consumers' perceived value of time is a concave line for gains and a convex line for losses. Third, the valance of consumers' perceived time loss is stronger than a perceived time gain. Furthermore, consumers' perceived values of time increase as the level of time pressure increases in both gain and loss conditions. In other words, when consumers are in a hurry, they are more sensitive to the time and the function of time is valued more highly than if time is not a factor or concern.

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# The Mental Accounting of Gift Card versus Cash Gift Funds

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## EXTENDED ABSTRACT

While the popularity of gift cards has dramatically increased in recent years, there has been little investigation into how monetary gifts in the form of a gift card may lead consumers to spend and conceive of gift funds differently than if the gift were offered as cash. From a logical, economic point of view, consumers should treat gift funds equivalently, regardless of format (e.g., cash, gift card). However, research on the topic of mental accounting has demonstrated that equal funds are not always regarded, allocated, and consumed equivalently (e.g., Kahneman and Tversky 1984; Thaler 1985, 1999). The theory of mental accounting provides a broad description of cognitive processes through which people perceive, categorize, evaluate and engage in financial activities. Through the process of either literally or figuratively categorizing funds into budget categories, wealth accounts, and income sources, consumers typically treat assets within mental accounts as of non-fungible, or imperfectly transferable.

One relatively overlooked source of mental accounting effects involves the format in which funds are presented. When money is offered in a gift card format, the process of perceiving and evaluating how these funds should be used may qualitatively differ, and consequently the consumption of these funds may be influenced. The simple presentation of gift funds as a gift card versus cash may influence the primary income mental accounting of the funds themselves, which could in turn influence how the gift money is spent. However, consumption of funds may also be influenced by the payment mechanism through which the funds must be spent (e.g., Soman 2001). Gift card funds are typically more limited in their exchangeability compared to cash gifts, which may lead one use gift card funds differently than equivalent cash solely due to the practical restrictions of gift card funds. The current research was designed to address whether the presentation format of funds–specifically as a gift card versus cash gift–influences the manner in which these funds are regarded and consumed, as well as whether any fund format effects are primarily due to the influence of income mental accounting or to payment mechanism restrictions.

In the first experiment, the influence of gift fund format upon intended spending was examined. Participants were asked to imagine a scenario in which they received and spent either a cash gift, a gift card, or a gift card with a cash-back feature, all of equivalent monetary value. The participants were asked to report whether they would spend funds above and beyond the gift amount received in the scenario. When gift funds were presented as a gift card rather than as cash, individuals' likelihood to consume all of the gift funds was increased. When given a gift card, the participants were not only more likely to spend the gift funds, but also to spend additional funds from their current assets. When concerns about lack of fungibility and possible waste of unspent funds were removed by the cash-back gift card condition, participants were nevertheless significantly more likely to consume gift card funds than cash gift funds. Therefore, any increase in consumption resulting from the gift card format does not solely appear to be due to the effect of payment mechanism, or related concern about waste or inability to use the gift money. Rather, it seems that the simple presentation of funds on a gift card led to increased spending of those funds.

In the second study, the magnitude of this spending increase as a result of gift card format was examined. Participants were asked to imagine receiving a cash gift or an equivalently valued gift card, and were then asked to indicate whether they would intend to purchase a series of items on a shopping trip. When gift funds were presented in gift card rather than cash format, participants' reported amount of intended spending nearly doubled, and was significantly larger than the amount of the gift itself. In contrast, those asked to imagine receiving a cash gift reported an intention to spend nearly the exact amount of funds that they received as a gift, on average.

The third experiment was designed to determine whether differences exist in people's conceptualization of gift funds based upon their initial presentation format. Participants were asked to imagine spending a cash gift or a gift card, and asked to endorse their primary interpretation of their purchase out of a set of 3 monetary interpretation options (e.g., "I feel like I just spent $53.00 on a DVD set.") or a more symbolic option ("I feel like I have basically received a free DVD set as a gift."). Those in the gift card condition were significantly more likely to endorse the symbolic option than any of the monetary interpretations. Therefore, gift card funds may not always be categorized in monetary terms, and may often be viewed as possessing symbolic rather than monetary value (e.g., as a free DVD set).

Experiment 4 was designed to replicate and extend the previous results to a real-world examination of the impact of the format of gift funds. Participants in this study were asked to report their use of and thoughts about either a gift card or a cash gift they received over a recent holiday season. Compared to cash gift use, those who reported about gift cards spent significantly more than the gift amount at the time of purchase, gave a more positive rating of the gift that they received, and were more likely to spend the funds on hedonic rather than utilitarian purchases. Taken together, these experiments suggest that the presentation of a gift card rather than cash influences how gift money will be conceived, allocated within a person's mental accounts, and subsequently spent. As gift cards are claiming an increasing role in consumers' gift purchases and gift consumption, there are both theoretical and practical grounds for further investigation into how the presentation of gift card funds may influence consumer behavior.

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# The Tri-Mediation Model of Persuasion: Incorporating Negative Advertising Appeals

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## EXTENDED ABSTRACT

An on-going concern of advertising practitioners is the persuasive impact of their marketing communications. One of the most widely employed measures of persuasive impact is change in brand attitude (Ab). Consequently research attention continues to focus on describing the specific types of cognitive and affective responses to advertising that lead to brand attitude formation. The traditional "Dual Mediation" model (DMM), which has been well supported within the ad effects literature (e.g., Brown and Stayman 1992), models the effects of various constructs (i.e., ad cognitions, brand cognitions, and attitude toward the ad) on brand evaluations. However a weakness of the DMM is that it appears unable to model the effects of negative comparative advertising.

In this paper, we utilize a political advertising setting to re-define the traditional Dual Mediation Specification in order to model the effects of negative appeals. Because cognitive responses to a political advertisement can be directed toward either the sponsor or the opponent, and because these cognitions may act independently in terms of their influence on brand (sponsor) attitudes, we refine the brand cognitions construct to include both sponsor (i.e., CbSpon) and competitor or opponent (i.e., CbOp) components. Our modified version of the DMM results in three levels of mediation, and hence is referred to as the Tri-Mediation Model of persuasion, or "TMM."

We utilize an experimental setting to examine the impact of political ad type (positive, negative comparison, and negative attack) and argument strength (strong, weak) on the various paths and constructs in the TMM. Student subjects (n=359) were randomly assigned to one of the six conditions, viewed a target ad, and then filled out a written questionnaire.

We utilized structural equation modeling to analyze data. We find that *negative* thoughts about the ad sponsor's opponent or competitor can indeed have a *positive* effect upon attitude toward the sponsor. Our multiple-group analysis results indicate that if the message is strong, direct attack ads may be superior to either direct comparison ads or positive ads in generating favorable attitudes toward the sponsor. The reason for their effectiveness appears to lie in their ability to trigger the generation of a proportionately larger number of (negative) cognitions regarding the sponsor's opponent. These outweigh the relatively greater number of positive thoughts generated in regard to the sponsor, and the relatively greater salience of those thoughts in forming a sponsor evaluation in the case of positive or negative comparison ads.

Multiple group analyses further reveal that if the advertising message is weak, then direct comparison ads appear to be superior to either positive ads or direct attack ads in generating positive attitudes toward the sponsor.

Because our Tri-Mediation Model of Persuasion effectively incorporates thoughts about the advertising sponsor's competitor into overall sponsor evaluations, we are able, in effect, to utilize a *non*-relative measure of advertising effectiveness to assess the *relative* nature of a negative political ad. We demonstrate that a peripheral cue (attitude toward the ad) can have an impact on the central route to persuasion by fostering message acceptance not only in regard to the sponsor, but also in regard to the competitor (opponent).

*Contact the author for a complete list of references.*

# Permission to be Prejudiced: Legitimacy Credits in the Evaluation of Advertisements with Black and White Models

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## EXTENDED ABSTRACT

Blacks are nearly 13% of the population in the U.S and they have substantial buying power. Consequently, advertisers have a real interest in attracting this market segment, and cannot fail to include Black models in their advertising messages. But given the relatively low frequency of Black models featured in commercials (Wilkes & Valencia, 1989; Williams, Qualls, & Grier, 1989), it appears that advertisers may be hesitant to use Black models. It is likely that advertisers may have real concerns about how White consumers may react to non-White models in their ads. This is especially a concern for high-value goods other than cars, in whose ads Blacks are highly unlikely to appear (Bailey, 2006). Why are there so few Black models in commercials, given that the research literature suggests that race has not been found to have an impact on viewers' responses (e.g., Whittler, 1989)? Although the research seems to indicate that Whites do not evaluate ads featuring Blacks differently from those featuring Whites, it may be that practitioners have found that ads featuring Black models are less effective in attracting consumers to buy their products—a result they have refrained from publishing, if not acting upon. In this article, we use a more subtle technique for demonstrating racial bias than has been typically used by marketing researchers for the assessment of models in advertising.

Most of the early research shows that White consumers do not respond negatively to advertisements or promotional materials featuring Blacks (Bush, Gwinner, & Soloman, 1974; Schilinger & Plummer, 1972; Solomon, Bush, & Hair, 1976; Bush, Hair, & Solomon, 1979; Tolley & Goett, 1972). In a long series of studies in marketing and social psychology, many studies have found little bias against Black by White participants, and often a bias in favor of Black targets (e.g., Devine, Plant, Amodio, Harmon-Jones & Vance, 2002; Whittler & DiMeo, 1991). But one must ask where the source of this apparent indifference lies. Is it because there is little or no prejudice affecting these decisions, or is it because White responses to ads with a Black model are carefully controlled, with prejudice and discrimination suppressed?

We suggest that evaluations of Black models in ads are determined by a complex mix of positive and negative feelings characterized by ambivalence. Crandall and Eshleman (2003) have proposed the Justification-Suppression Model (JSM) of the expression of prejudice. They argue that racial prejudice is usually suppressed, resulting in lower overt expressions of prejudice than is genuinely felt. However, because affect has motivational properties, people will seek a way to express prejudice, and justifications will allow overt discrimination. A justification is any process that can allow the expression of prejudice, without suffering sanctions, whether external or internal. There are many different kinds of justification, and they appear in many guises. One particular justification of prejudice expression is "legitimacy credits." Legitimacy credits are the memory of previous non-prejudiced behavior, which can be called upon to offset a subsequent release of prejudice. Legitimacy credits can be acquired by engaging in any overtly non-prejudiced behavior—by behaving positively toward a group, by having friends from the group, by smiling at group members on the bus, by buying a piece of art from a group member, or even by evaluating the group positively on a rating scale.

In the present study, we investigate how the acquisition of legitimacy credits affects the evaluation of the ads featuring Black and White models, by providing people a chance to gain legitimacy with a positive evaluation of a high quality ad featuring a Black model. Then, we measured people's evaluation of the subsequent mediocre ad with another Black model. In the pilot study, we use a between-subjects design, and seek evaluations of high or low qualities ads featuring Black or White models. Because the single-ad between-subjects method offers no acquisition of legitimacy credits, we expect no bias against Black model ads. Results show, when evaluating the ads, participants were highly responsive to the overall quality of the ad, but they were unresponsive to the race of the model. When employing this straightforward method, it might appear that this population of students lack prejudice, and do not discriminate on the basis of race. In Experiment 1, we introduce an opportunity to gain legitimacy. White participants first evaluate a high quality ad with a Black (legitimacy credits) or White (no credits) model. In Experiment 1, participants then evaluate a mediocre ad featuring either a Black or White model, anticipating that in the no credits conditions, participants will not show an anti-Black bias in evaluation, whereas the participants who first evaluated an ad with a Black model will, on a subsequent evaluation, show an anti-Black bias in evaluation. As expected, when people were provided an opportunity to positively rate a high quality advertisement featuring a Black model, they evaluated the target advertisement with a Black model more negatively than that with a White counterpart. Participants in the Suppression condition did not downgrade an ad with a Black model compared to an ad with a White model, but participants in the Legitimacy condition did— leading to a fairly strong preference for the White ad by White participants.

The present study investigated the impact of model's race on evaluation of advertisements and the underlying psychological mechanism. A favorable rating for one advertisement featuring a Black model may be sufficient justification to allow subjects to express their prejudice toward the target advertisement with a Black model. This study suggests that consumers' underlying psychological mechanisms to exposures of advertisements featuring Blacks, are subtle, complex, and multiply-determined. Whites will only release their attitudes into expression with there is some kind of justification for doing that. Any person looking for signs of racial prejudice must not simply go forward and ask—one cannot possibly trust a simple answer to a simple question in this context. As long as people are not permitted by the situation to release their attitudes without guilt or shame, they are not likely to express their genuine prejudice.

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# The Role of Product Category Familiarity in Self-Referent Advertising

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## EXTENDED ABSTRACT

Advertisers frequently encourage consumers to process ad information in relationship to specific aspects of their selves, such as traits and experiences (Burnkrant and Unnava 1995). The self-related elaboration of incoming stimulus information is presumed to result in more positive evaluations and superior message recall (Debevec and Romeo 1992). The present research proposes that consumer familiarity with a category is a limiting condition for self-referencing effects and suggests that memory intrusions is the mechanism by which this limit occurs. We attempt to explain how consumer knowledge and the temporal perspective of the self-referencing process (operationalized as the episodic and temporal dimensions of the self, respectively) jointly contribute to consumers' response to self-referent messages.

Retrospective self-referencing invites consumers to reminisce about past personal brand experiences, whereas anticipatory self-referencing encourages consumer-originated imagination exercises that promote favorable self-brand associations. Krishnamurthy and Sujan (1999) contend that both retrospective and anticipatory cases involve a self-referencing mechanism that is indissolubly linked to a memory matching effort on the consumers' part, particularly of the episodic memory variety.

A simple way of contrasting episodic and semantic memory is in terms of their elementary functions: episodic memory is concerned with *remembering,* whereas semantic memory is concerned with *knowing* (Tulving 1993). Similarly, consumers familiar with a product category are thought to have systematically acquired significant amounts of related knowledge that directly impacts their information processing patterns (Mitchell and Dacin 1996). Conversely, individuals less familiar with the product category have yet to develop this domain knowledge and are significantly impaired in terms of their depth of information processing (Alba and Hutchinson 1987). We therefore propose that:

H1: In self-referent advertising, consumers of low familiarity with the product category will predominantly exhibit episodic processing and consumers of high familiarity with the product category will mainly exhibit semantic processing.

H2: In self-referent advertising, amount of ad detail, consumer familiarity with the product category, and the temporal orientation of the ad will interact, such that: for consumers of low familiarity with the product category, attitudes toward ad and brand will be more (less) favorable under anticipatory self-referencing than under retrospective self-referencing in the high-detail (low-detail) ad; no difference is expected for consumers of high familiarity with product category.

*Study 1.* A first experiment employed a 2 (temporal orientation: retrospective and anticipatory self-referencing advertisement) X 2 (amount of ad detail: low and high) X 2 (familiarity: low and high, measured) random assignment design. Participants attended to a print ad that encouraged them to remember/imagine details of their own Florida vacation. Data provided substantial evidence toward the conceptually proposed role of consumer familiarity with the product category in self-referent advertising. First, it was shown that individuals more familiar with the product category tend to

have a detailed schema of their self-product interactions, leading to semantic processing of ad stimuli. Conversely, people less familiar with the category only rely on their occasional, specific instances of self-product interactions and therefore resort to episodic matching when processing. Overall, little support was found for hypothesis 2's prediction of a three-way interaction involving ad detail. Once the moderating role of consumer familiarity is accounted for, the effects of Krishnamurthy and Sujan (1999) are not evident.

*The Memory Intrusions Account.* Cognitive psychologists accept that both accurate and inaccurate source attributions can occur from heuristic processes that evaluate a mental experience. Pezdek et al. (1997) proposed that the success of planting false childhood memories will vary along the event plausibility dimension. This schema-based account argues that the likelihood of individuals' taking ownership of a suggested false childhood event increases whenever subjects possess relevant mental schemata for such events. Garry et al. (1996) showed that when adults imagined childhood events, these events were later judged as more likely to have occurred than events that were not imagined. The authors termed this effect "imagination inflation" and discovered that most people (in particular children) exhibit it. Imagination inflation after exposure to self-referent imagery would therefore be expected to occur more for individuals lacking the schema relevant to the imagined activity (low-familiarity processors) than for people who possess such generic knowledge.

H3: In response to self-referent advertising, consumer familiarity with the product category and the temporal orientation of the ad will interact such that under retrospective self-referencing more memory intrusions will occur for consumers familiar with the product category than for those unfamiliar with it, while under anticipatory self-referencing the intrusions pattern will reverse.

H4: In response to self-referent advertising, consumers' attitudes will follow the pattern described by the memory intrusions, such that under retrospective self-referencing, attitudes toward the ad and brand will be more favorable for consumers familiar with the product category than for those unfamiliar with it, whereas under anticipatory self-referencing the attitudes pattern will reverse.

*Study 2.* A second experiment employed a 2 (temporal orientation: retrospective and anticipatory self-referencing advertisement) X 2 (familiarity: low and high, measured) random assignment design. Participants were instructed to express their certainty that specific events had happened to them during the previous 15 years (Life Events Inventory 1), including taking a Delta Airlines commercial flight. Subsequently, they attended to a print ad that encouraged them to either remember or imagine details of their own Delta flight. Dependent measures were collected at the end. Three weeks later, an identical LEI was collected. Intrusions were counted as LEI2-LEI1. A two-way ANOVA found the significant interaction proposed in H3 on the number of memory intrusions. ANOVAs also found the significant interactions proposed in H4 on the attitude toward the ad and brand measures. Finally, mediation analyses showed that the effect of familiarity on self-referent attitudinal response was mediated by memory intrusions.

*Discussion.* A general practical implication for marketers addresses the need to match consumer product category familiarity with the specific type of self-referencing employed. This research also predicts that retrospective stimuli such as the "Remember the Magic" series of Disney ads are likely to be effective for consumers with frequent past visits to theme parks (not necessarily Disney-owned), while less so for occasional visitors. Conversely, Ford's "Imagine Yourself in a Mercury" promotional campaign will likely work better for first-time buyers, while less so for more seasoned consumers.

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# The Impact of Narrative Immersion and Perceived Self-Character Similarity on Evaluations of Product Placements

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## EXTENDED ABSTRACT

Where the place for companies to make product-related claims traditionally resided in spaces clearly allocated for promotional purposes (e.g., between programs), today, unambiguous delineations between programming and promotions are harder to come by. The use of product placements—where brands pay to make seemingly innocuous cameo appearances within media content and keep this sponsorship hidden (Balasubramanian 1994)—has gained in popularity over the past two decades. It is no longer unusual to encounter brands sharing space with characters within media narratives—e.g., *General Motors* vehicles that appear in the movie *Transformers*, the *Bulgari* jewelry brand embedded in author Fay Weldon's book *The Bulgari Connection*, and *Saab* cars within the television sitcom *Seinfeld*.

This rise in incidence of product placements—fueled by the need for revenues by production/publication houses and to break through the clutter of customary promotional practices by companies—has not gone hand-in-hand with an adequate understanding of their impact. Researchers have called for rigorous examinations beyond explicit brand memory and attitudinal effects of placements (Law and Braun-LaTour 2003). While contextual issues such as fit with the storyline, placement modality (e.g., visual/auditory, foreground/background) and audience-character attachments (Russell and Stern 2006) have been investigated, more needs to be done to understand how narratives that house placements are consumed as well as consequences for the narratives themselves. Further, academic scrutiny in the field of communications (e.g., Babin and Carder 1996) and marketing (e.g., Law and Braun 2002, Russell 2002) has primarily been limited to the context of TV and films. While these remain the biggest categories for placement expenditures, brand integrations frequently occur in media as diverse as music, radio shows, the Internet, videogames, books, magazines and newspapers. Outside of films and television, the highest proportion of brand integrations occur in magazines (PQ Media) that remain virtually unexamined within product placement research.

In this paper, we bring together research on narrative processing, persuasion, cognitive load and product placements to examine the role of narrative immersion and perceived self-character similarity on brand evaluations, narrative evaluations and persuasion knowledge in the context of brands embedded within magazine articles.

Though a long tradition of inquiry into audience-character relationships exists, this has only recently been applied to consumer processing of narratives within which placements occur. Further, persuasion research has primarily examined the persuasiveness of rhetorical product advocacy messages (e.g., ads). Consumers routinely encounter information in narrative form (by way of newspapers, magazines, TV and the like), yet the persuasive impact of narratives is not thoroughly understood (Green and Brock 2000). The idea of narrative transportation is the notion of losing oneself within a story (Gerrig, 1994). Research into narrative transportation has shown that mental immersion is persuasive (Green and Brock, 2000). Escalas (2004) found corroborating evidence within the context of advertisements that exhort audiences to "star" in positive hypothetical scenarios of product use. By bringing about mental transportation, the ads were able to lower consumers' critical thinking and heighten affective responses. This in turn led to more favorable evaluations of ads and brands. In salesperson research, Campbell and Kirmani (2000) find that cognitively busy consumers with less access to persuasion motives evaluate salespeople more positively. Along similar lines, we hypothesize that asking respondents to take the perspective of dissimilar characters should prove to be cognitively effortful. Thus, consumers should have fewer mental resources available to question the provenance of branded inclusions. Audiences that do not use their persuasion knowledge would therefore evaluate brands and the media content within which they appear more favorably. While putting ourselves into the shoes of people we consider as different may be a mental challenge, we have well-developed scripts and schemas related to our own lives and those of people we see as similar. Thus, identifying with experiences of similar characters should not be cognitively burdensome, and audiences should possess the cognitive capability for scrutinizing vicarious experiences and brand claims contained therein. Suspicions of ulterior persuasive motives should then temper brand as well as narrative evaluations.

We examined the joint effects of similarity and immersion on brand/story evaluations in a series of four laboratory experiments. Regardless of how similarity is manipulated across the first three studies, results consistently establish that the impact of perceived self-character similarity is moderated by the extent of immersion into the narrative. Participants, deeply immersed into the story, evaluated both the narrative and brand embedded within it more favorably when self-character similarity was low rather than high. A lack of immersion however led to stronger evaluations when experiences of a similar versus dissimilar character were described. In addition, persuasion knowledge was found to be greater when similar characters were used. In study 4 we employ implicit and explicit brand memory tasks to understand these results. As predicted, participants immersed into the story of a dissimilar protagonist performed better on (target and filler) brand memory tasks compared to a similar protagonist. We thus find initial support for a cognitive resource account of results obtained.

These results have important theoretical and practical implications. We contribute to literature on narrative processing and marketing communications by examining the impacts of character similarity and immersion on placement efficacy in print (magazine) media. Most prior research has been limited to understanding placement effects within television and film contexts and little research on been done on brand integrations within magazine media—a key venue with high placement expenditures. One limitation of this, and previous, research is that companies rarely use product placements in isolation and placements seldom appear within a single medium. For example, the portfolio of promotions used to launch BMW's *Z3 Roadster* spanned appearances within the movie *GoldenEye*, cross-promotions of the car with the movie, and public relations appearances by actors. Further, brands integrated within Rachel Ray's cookbooks also appear on her television show *Day to Day with Rachel Ray* and her magazine *Every Day with Rachel Ray*. We propose to examine the joint effects of different forms of marketing communications across media in future research.

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# Anti-consumption: Now on Sale

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## EXTENDED ABSTRACT

This research uses theories of market mythology (Levy 1981; Holt 2004; Holt and Thompson 2004; Thompson 2004) to illuminate how and why an anti-consumption lifestyle (voluntary simplicity) is being refashioned into a contemporary consumption phenomenon (simple living). Voluntary simplicity is defined as a lifestyle of minimal, ethical, and ecological consumption (Gregg 1936; Leonard-Barton 1981; Elgin 2000; Craig-Lees and Hill 2002; Shaw and Newholm 2002; Zavestoski 2002; Etzioni 2004; Grigsby 2004; Bekin, Carrigan, and Szmigin 2005; Huneke 2005; McDonald et al. 2006; Miller and Gregan-Paxton 2006). An integrative literature review highlights the antecedents (access to wealth and education), manifestations (reduction of consumption relative to societal norms), and consequences (sense of control and self-sufficiency), and the long historical legacy of the lifestyle.

Simple living is conceptualized as a market mythology consisting of select strands of the voluntary simplicity ideology detached from the practice and diluted for the mass market. The simple living market mythology is delineated in three steps. First, a meta-analysis of historic essays and recent ethnographies is conducted to identify the major themes in voluntary simplicity discourse. Second, a popular lifestyle magazine, a recent blockbuster movie, and informant narratives are analyzed for major themes in the simple living discourse. Third, the voluntary simplicity and simple living themes are compared and contrasted.

While eight myths are identified in the voluntary simplicity discourse, only six of those are retained in the simple living discourse: the myth of less, the myth of consumer goods and consumption activities as pathology, the ecological and ethical mythology, the myth of work-life balance and the demythologizing of money, the myth of individual agency, and the myth of community loss and gain. The two missing myths are also of considerable theoretical interest: the myth of modern cities and technology and the myth of exemplary citizenship. First, while many simple-living advocates have promoted rural living (e.g. Thoreau) and opposed modern technology (e.g. the Amish), the contemporary market mythology does not appear to take a firm stance on either subject. Rather, individuals are encouraged to find simplicity in their own context, wherever that may be geographically, and discourse about technology is rare and vague. Second, exemplary citizenship for the public eye is a theme that runs through some historical texts; for example, Gandhi famously declared, "My life is my message." However, the emphasis on living simply as a personal statement or identity project is absent in contemporary iterations of the mythology. The universality of decentered subjects and their consumer identity projects in postmodernity (Firat and Venkatesh 1995) might yield one explanation: since all consumers (simplifiers and non-simplifiers alike) are presumably engaged in continuous identity work, the significant differences between the subcultures may lie in the *how*, not the *whether*.

Market mythologies, like that of simple living, can be put to work in advertising and entertainment. The simple living magazine analyzed for this research focuses on 'simple' cooking, decorating, housekeeping, fashion, and personal grooming. A major retail chain advertisement for personal electronics claims to clear the clutter of consumer choices by making the choice for the consumer in each product category. The paradox that the ad uses simple living discourse (i.e. clearing the clutter) toward persuading consumers to buy more electronics is presented without any irony. Hirschman (2000) finds that movies that address mythic tensions have considerably greater commercial success. The movie analyzed for this research is devised around the tensions between materialism and simplicity. While simultaneously looking for a slower-paced, values-driven job in journalism, a highly-educated, middle-class, woman is accidentally thrust into a high-profile, high-stress, round-the-clock, consumption-focused career in fashion. The pathology of consumption, the search for work-life balance, and the eventual triumph of individual agency are core mythic themes of the film.

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# A Qualitative Study of Mother-Adolescent Daughter-Vicarious Role Model Consumption Interactions

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## EXTENDED ABSTRACT

### Conceptualization

The traditional paradigm in marketing views parents as role models for their children in the consumption domain (Clark et. al 2001). This paradigm is based on the perspective that experienced parents serve as a primary source of information for their children. However, in today's Western cultures, an ever-increasing emphasis on a youthfulness ideal may cause a shift in role modeling, making children potential role models for their parents. Struggling to feel, look, and behave youthfully, parents might perceive their children as experts/role models.

Women engage in youthfulness-oriented activities and annually spend $3000 more than men to stay young (Weiss 2002). Additionally, maturing women seek reaffirmation of their self-concept of youthfulness as a normal, healthy, positive, and acceptable image of aging (Barak and Stern 1985). They recalibrate their inner age scale to make youth the most important and tend to adopt consumption patterns fitting a younger cognitive rather than chronological age. Integrating a youth ideal with lower cognitive ages may lead mothers to view their daughters (especially adolescents) as role models in certain consumption situations. Consequently, the mother-daughter dyad may serve as a preferred unit of analysis (Moore et al. 1988). Additionally, vicarious role models, such as celebrities, can impact both mothers and their adolescent daughters' consumption behaviors.

This paper develops and qualitatively evaluates an integrative perspective on consumption interactions of mothers, adolescent daughters, and vicarious role models. These interactions are studied using three theoretical frameworks (consumer socialization, intergenerational influence, and role models) and focusing on the influence of adolescent daughters on their mothers' self-consumption.

The first framework, consumer socialization, suggests that parents serve as socialization agents to their children through consumer learning (Moschis and Churchill 1978; Caruana and Vassallo 2003). Though consumer socialization provides insights on how children acquire motivations, attitudes, and behaviors about the marketplace (Carlson et al. 1994), it has focused mainly on a uni-flow of socialization from parents to their children.

The second framework, intergenerational influences (IGI), refers to the within-family transmission of information, beliefs, and resources across generations (Moore et al. 2001). Although studies under this framework have emphasized mostly information transmission from older to younger generations, it can also explain adolescent daughters' influence on their mother's consumption, adding a dimension to socialization theory.

The third framework, role modeling, deals with the impact of role models on individuals' consumption behavior (Bush and Martin 2000; Clark et al. 2001). Any person individuals have direct or indirect contact with, who can potentially influence their behaviors can be a role model (Bandura 1977). Given Western cultures' increasing emphasis on youthfulness (Thompson and Hirchman 1995), adolescent daughters and their mothers might use similar consumption role models (e.g., celebrities) for expressive products, which are consumed to fit one's personality and lifestyle and to make favorable social impressions (Shah and Mittal 1997). Thus, the approach developed here extends beyond the mothers–adolescent daughters relationships.

Children's influence on family consumption decision-making, children's socialization, IGI, and role models have been researched before. In combination, these frameworks could explain if, when, and how adolescent daughters impact their mother's behaviors for products that are relevant to and used by the mothers. To the best of the authors' knowledge, this combined approach has not been studied before. The frameworks are described first. Then, the results of a qualitative study, conducted to assess the consumption interactions are presented and discussed.

### Method

The study was qualitative and exploratory and included in-depth interviews with dyads of mothers and their adolescent daughters. The mothers and their adolescent daughters were interviewed separately in order to avoid bias in their answers. Three issues were examined: if and when adolescent daughters serve as role models for their mothers; if and when mothers serve as role models for their adolescent daughters; and whether the youthfulness ideal of Western cultures exists and influences the consumption behavior of mothers and their adolescent daughters. Ten dyads of mothers-adolescent daughters were used as the study's sample.

While a convenience sample was used, the dyads included mothers and daughters at different ages (daughters: 15.5-18; mothers: 39-51), from different social strata (low to high), and in different geographical locations (two cities in Northern/Central Israel).

### Major Findings

Three issues were examined: whether adolescent daughters serve as role models for their mothers; whether mothers serve as role models for their adolescent daughters; and whether the emphasis of youthfulness in Western cultures exists and influences the consumption behavior of mothers *and* their adolescent daughters.

The interviews partially answered these questions. Regarding adolescent daughters' use as role models and fashion markers for their mothers, most mothers referred to this issue and confirmed that their adolescent daughters' fashion opinion was very important. This is compatible with Zolo (1995), who suggested that teenagers serve as trendsetters for their parents. The second question, drawing on the consumer socialization literature, asked if and when mothers serve as role models for their adolescent daughters. This question was answered positively. Most interviewed dyads shop for fashion items together *and* in the same stores. Moreover, many adolescent daughters occasionally borrow their mothers' fashion items.

Regarding the issue of cognitive versus chronological ages, the interviews suggest that there is a gap between mothers' cognitive and chronological ages in support of cognitive age theory and the youthfulness ideal of Western cultures. Notably, such a gap

mostly failed to materialize for adolescent daughters. Hence, consumption similarity appears to be driven more by the gap for mothers than the gap for daughters.

Finally, external role models such as celebrities did not have a great influence on mothers or their adolescent daughters. Thus, the cognitive ages' gap, which is narrower than the cognitive ages' gap, did not lead to the use of shared role models. While a convenience sample was used, the dyads included mothers and daughters at different ages (daughters: 15.5-18; mothers: 39-51), from different social strata (low to high), and in different geographical locations (two cities in Northern/Central Israel).

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# Intergenerational Influence in Consumer Deal Proneness

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## EXTENDED ABSTRACT

Given the importance of promotional deals as a marketing technique, there has been considerable interest in deal-prone consumers–consumers who show an enduring propensity to respond to such deals. While the demographic characteristics (e.g., education, income) and behavioral characteristics (e.g., brand loyalty) of deal-prone consumers have been studied (Bawa and Shoemaker 1987a, 1987b, 1989; Schindler 1998), little attention has been given to the factors that cause an individual to develop into a deal-prone consumer. In this paper, we examine the role played by parents in influencing their children's deal proneness.

Children acquire habits, skills, knowledge, and attitudes relevant to functioning in the marketplace by the process of consumer socialization (Ward 1974). The socializing factors include parents, peers, institutions (e.g., school), mass media (e.g., television, radio), and the web (John 1999; Meyer and Anderson 2000). Of these factors, the "intergenerational influence" of parents has been identified as a particularly important force (Heckler, Childers, and Arunachalam 1989; Moore, Wilkie, and Lutz 2002). Indeed, researchers have found intergenerational influence to play a role in children's brand preferences (Moore et al. 2002), skepticism towards advertising (Obermiller and Spangenberg 2000), innovativeness (Cotte and Wood 2004), values and orientations such as value consciousness and convenience orientation (Mandrik, Fern, and Bao 2005), preference for shopping goods (Heckler et al. 1989), and online shopping preferences (Lueg et al. 2006). However, there is considerable variation in the extent of this influence. Previous research on intergenerational influence indicates that at least four characteristics of deal-prone behaviors make deal proneness particularly well suited for transmission from parent to child. (1) Deal-response behaviors, such as coupon clipping and buying products on sale, are particularly visible and salient behaviors that offer a child ample opportunity to learn by observing (Childers and Rao 1992; Moore and Lutz 1988). (2) Deal-response behaviors are concrete as compared to attitudes, which tend to be more abstract (Hoge, Petrillo, and Smith 1982; Mandrik et al. 2005). (3) Deal-response behaviors may be viewed as routine activities performed with little thought (Heckler et al. 1989). (4) The high frequency with which deal-response behaviors occur provides a child with numerous opportunities to learn by observation. Since children are likely to learn specific deal-response behaviors, such as using coupons, rather than a global trait of deal-proneness, parent-child similarity should also exist for interest in particular types of promotional deals, such as using coupons or buying items on sale.

In Study 1, 265 student participants responded to a questionnaire containing a set of items measuring their deal proneness, their attitude towards their parents' shopping habits, their exposure to parental shopping behavior, their perceptions of the deal proneness of their family members, and some basic demographic characteristics. Results indicated that the respondents who reported their parents as being deal-prone had higher deal-proneness scores than the respondents who did not report their parents as being deal-prone. This effect is robust in that it does not interact with the respondent's gender, age, or whether or not he or she lives at home. Further exploration of this result showed that children with parental shopping exposure during teenage years had higher deal proneness scores than those who did not report exposure during their teenage years.

Whereas Study 1 relied on adult children's perception of their parents' deal proneness, Study 2 involved asking parents to directly report their own deal proneness. A deal-proneness measure was obtained from each member of 83 parent-child dyads. Analysis of these measures revealed a significant parent-child correlation, which indicated a similarity in level of deal proneness. We also observed a substantial similarity in the pattern of deal-type preferences between parents and their adult children. To determine the statistical significance of the parent-child similarity in deal-type preference, we used the logic of a permutation test. We created 10,000 random parent-child dyads to produce a sampling distribution of mean deal-type preference correlation coefficients. The position in this sampling distribution of the mean deal-type correlation coefficient of the real parent-child dyads indicated that our observed parent-child similarity in pattern of deal-type preferences is far greater than would be expected by chance alone.

Further analysis of Study 2 results showed that parent-child deal-proneness correlations for children with teenage parental shopping exposure were positive and significant, but parent-child correlations for children without teenage parental shopping exposure were not significant. Finally, we unexpectedly found parent-child deal-proneness similarity when parent and child were of opposite genders but not when they were of the same gender.

The findings of these two studies provide several lines of evidence that support the role of parental influence in the development of deal proneness in young consumers. The first line of evidence is that young adults and their parents show similarity in the extent of their deal proneness. This was demonstrated using a perceptual measure of parental deal proneness in Study 1 as well as using, in Study 2, the more rigorous method of administering a multi-item deal-proneness measure separately to each member of the parent-child dyad.

A second line of evidence is that young adults and their parents show similarity in their preferences among particular types of promotional deals. It should be noted that this is indeed a second line of evidence. It could have very well been the case that young adults and their parents show similarity in a general predisposition toward promotional deals without showing any similarity in their preferences for, say, cents-off coupons over advertised discounts.

A third line of evidence supporting the role of parental influence in deal proneness is the demonstration that several parent-related factors that would plausibly affect the degree of parental influence do in fact moderate the extent of parent-child deal-proneness similarity. Studies 1 and 2 were consistent in showing the importance of a child's exposure to parental shopping during the child's teenage years and the importance of a child's attitude toward the parents' shopping habits. Study 2 provided evidence for a relation between parent-child gender similarity and the degree of deal-proneness similarity, albeit in the direction opposite that which was anticipated. In all, these two studies provide considerable evidence that parental influence plays an important role in the development of consumer deal proneness.

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# Not Me or Not Them?: The Role of Culture in Discrepant Effects of Health Communication on Self and Others

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## EXTENDED ABSTRACT

Consumers these days seem increasingly health conscious (e.g., Niknian, Lefebvre, & Carleton, 1991). This belief is well reflected in various marketing communications in both the commercial (e.g., Burger King's low-carb menu) and social (e.g., the "Truth" anti-smoking campaign) domains. Ironically, although today's consumers are perhaps more health conscious than they used to be, they may not be notably healthier than their previous generation. Indeed, some indicators point to the opposite: according to a recent report from National Center for Health Statistics [NCHS], nearly a third of U.S. adults (31%) were obese in 2002, more than double the 15% in 1980. Quite interestingly, however, Americans consider this a serious national problem, but less an individual problem, as a recent survey reports that 90% of American adults think that most Americans are overweight, but 70% think that "the people they know" are overweight, and only 39% think that they themselves are overweight (Pew Research Center, 2006).

This distorted view of self (vs. others) is not surprising, as numerous studies have demonstrated that people tend to maintain an enhanced evaluation of the self (e.g., Gilovich, 1983). What is noteworthy is that this self-other gap may be culturally universal, yet the direction of the discrepancy appears to be culture-specific, sometimes very different between collectivists and Caucasians. That is, unlike Western Caucasians, Eastern collectivists' self-views are sometimes negatively biased (e.g., Heine 2005; for opposing views see Sedikides, Gaertner, & Vevea, 2005). This article explores this self-other gap on the health consciousness dimension, a variable that has not been investigated elsewhere in a cross-cultural context.

A stream of research has addressed the health disparity among diverse racial groups by investigating the inequalities in various health indices such as mortality, smoking, alcohol use, obesity, blood pressure, cholesterol, and physical inactivity. In those studies subgroups were typically defined based on socio-economic status (SES), combining a variety of demographic data (e.g., race and county of residence). These SES studies did help health care providers practically (e.g., identifying who is in most need of care), yet did not offer a clear explanation for the phenomenon. An interesting report by Murray et al. (2006) provided compelling evidence for which subgroup is better (worse) off than other groups in terms of a range of health indices. Analyzing twenty-year longitudinal data from the Bureau of the Census and the NCHS data, Murray et al. (2006) concluded that Asian Americans have a lower risk of major fatal diseases (e.g., cancer and cardiovascular diseases) and higher life expectancy than the other seven comparison groups.

The first question arises: Asian Americans appear healthier than other Americans, but do their perceptions accurately match reality? We propose that the self-health consciousness bias (i.e., the tendency for people to believe that they are more health conscious than others) observed among Americans predominantly mirrors American individualism, so the same bias should not emerge among relatively collectivistic Asian populations. We further extend this argument to a broader context by looking at different cultural indices and demonstrate that collectivists in general tend to believe that they are less health conscious than others, whereas Caucasians perceive themselves to be more health conscious than others. Consistent with this proposition, we ask the second question that is of practical interest for social marketers: do Caucasians and collectivists perceive health communications as more or less persuasive to themselves (vs. others)?

H1: Collectivists will perceive themselves to be less health conscious than others, whereas Caucasians will perceive themselves to be more health conscious than others.

H2: Collectivists would perceive health campaign messages to be less influential on themselves than others, whereas Caucasians would perceive the same messages to be more influential on themselves than others.

Study 1A presented the data in line with our hypothesized framework and showed that Caucasian Americans significantly perceive themselves to be more health conscious than others, whereas if anything, the opposite is true for Asian Americans.

Study 1B showed that Koreans believe their families and friends to be more health conscious than themselves, and thus are more likely to take actions recommended in anti-smoking advertising. However, Americans reported the opposite: their families and friends are less health conscious than they themselves are, and thus less likely to take the recommended actions.

Study 2A used three different operationalizations of culture. Americans (vs. Koreans), Caucasian Americans (vs. Asian Americans), and those with a highly individualistic (vs. collectivistic) outlook perceived themselves to be more health conscious than their family and close friends and the general public (i.e., the "not me" effect), whereas the opposite was the case for participants from Koreans, Asian Americans, and those scoring low on individualism (i.e., the "not them" effect).

Study 2B conceptually replicated the findings from Study 1B in a different health campaign (i.e., low-fat milk consumption). Koreans perceive others as more responsive to health campaigns, whereas Americans perceive others as less responsive to the message. Furthermore, as was the case between self and others, the same pattern of the perceptual gap emerged between close others and distant others. That is, when compared to close others, among Koreans, in-group members (i.e., family and friends) are perceived to be more likely to accept the health-related messages than out-group members (i.e., the general public), but among Americans, this pattern was reversed. This effect was apparent not only in behavioral intention as in Study 1B, but also in two additional measures used in Study 2B: cognitive and affective attitudes.

In sum, Studies 1A, 1B, and 2A showed that collectivists reported being less health conscious than close and distant others, whereas individualists reported the opposite (H1). Studies 1B and 2B replicated these findings in a health communication context, demonstrating that collectivists believed the positive effects of health messages to be greater on close and distant others than themselves, whereas individualists believed the positive effects would accrue to them more than to close and distant others (H2). The results were replicated across all three measures of persuasion.

These findings add to a growing body of knowledge that demonstrates systematic and contradictory self-other perceptions among collectivists and individualists.

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# When the Loss of Free Will Can Be Costly: A Novel Approach to an Anti-Smoking Campaign

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## EXTENDED ABSTRACT

In the United States, people who smoke cigarettes are on the rise. Of all smokers , adolescents and young adults constitute the highest percentage (United States Department of Health and Human Services 2000). Because smoking poses a threat to every organ of the body, these rising numbers are a cause of serious concern.

These rising numbers of young smoker reflects, in part, the successful marketing strategies of tobacco firms of years past and it demands more creative anti-smoking messages to counter such success. Several studies in the literature currently show that messages which define social disapproval as an outcome of smoking are more effective in deterring the young from smoking than messages that blame the tobacco industry 'making' people smoke and suffer (e.g., Pechmann and Ratneshwar 1994). However such research findings are not undisputed (Pechmann and Riebling 2006). For example, certain studies have found support for the effectiveness of messages that implicate the tobacco industry for smoking-related suffering. Discrepancies as such motivate the need for more research in antismoking messages.

In this manuscript, we build on the existing research stream which finds support for the effectiveness of social-disapproval messages. We introduce a concept - novel to marketing – the construct of *free will* defined as the ability to make conscious choice(s) for oneself, and opine that social disapproval messages that integrate loss of free will as a consequence of smoking are likely to induce more favorable ad attitudes and impactful messages. While drawing on the psychological theory of reactance (Brehm 1966), we predict that associating an act (e.g., smoking) as a threat to one's freedom (that is, free will) is likely to produce negative emotions in an individual and motivate him/her to ward off the threat (the act or smoking).

Furthermore, we expect that a fundamental need to retain one's free will is inextricably associated with one's ability to build/maintain a self-image that is approved by society. Therefore messages that make salient loss of "free will" in addition to social disapproval as an outcome of smoking are likely to be more convincing than messages that make salient social disapproval alone. We hypothesize:

> H1: Nonsmokers exposed to messages that emphasize social disapproval and loss of free will are likely to report more favorable attitude toward the ad and lower short term intention to smoke than those exposed to messages emphasizing social disapproval alone.

One of two sources can be blamed for the loss of free will: the self (internal attribution) or tobacco companies (external attribution). Past studies show that internal attributions help individuals reaffirm the belief in themselves and in their ability to predict and to control future events. On the other hand, external attributions 'hand-over' power to predict and to control future events to an external entity. We therefore expect messages with external attributions to induce negative and self-destructive emotions of fear because people are likely to feel helpless when an external entity (rather than the self) is in control of their life decisions. We, therefore, expect that when nonsmokers believe that the self (*vs.* the tobacco industry) is responsible for negative outcomes of smoking, then they are likely to report lower intentions to smoke. We also hypothesize:

> H2: Nonsmokers exposed to messages which emphasize social-free will from an internal responsibility perspective are likely to report more favorable attitude toward the ad and a lower short term intention to smoke than those exposed to messages that suggest an external responsibility.

We created three experimental conditions to test our hypotheses: a social anti-smoking advertisement and two conditions which emphasized the loss of the smoker's free-will either assigning the blame to the smoker or the tobacco industry. One hundred and thirty one graduate students from a major university in the United States volunteered to participate in this experiment. Results suggest that emphasizing simply a social perspective in terms of an anti-smoking campaign may not be sufficient to gain maximum advertising impact. While attributing blame for loss of free will led to a more impactful anti-smoking advertisement relative to the social ad alone (supporting hypothesis 1), there was only a directional difference in the hypothesized direction between the blame conditions (not supporting hypothesis 2). Discussion of these findings leads to ideas for future research.

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# Reward or Punish: Willingness to Pay for Ethically-Produced Goods

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## EXTENDED ABSTRACT

There are two substantively and theoretically important questions regarding consumers' response to CSR. First, do consumer attitudes influence their willingness to reward good corporate behavior, or punish irresponsible corporate behavior? Second, do these attitudes ultimately influence the amount they are willing to pay? With two experimental studies we demonstrate a strong relationship between ethical behaviour and willingness to pay: the ethicality of a firm's behavior is an important consideration for consumers and influences how much consumers are willing to pay for the firm's products. Consumers are willing to pay *more* for ethically-produced goods, and more importantly, they demonstrate a positive-negative asymmetry, whereby consumers will pay substantially *less* for unethically-produced goods.

Most marketing research has focused on the relationships between corporate associations or expectations and consumer response (Brown and Dacin 1997; Sen and Bhattacharya 2001; Creyer and Ross 1997). Most of this research, though, has focused exclusively on the relationship between favorable corporate actions and consumer behavior. That is, the work answers the question of how consumers react to *positive* CSR activities. One of the most generally accepted and far reaching phenomenon in psychology is the asymmetry between positive and negative–bad versus good (for comprehensive reviews see Baumeister, Bratslavsky, Finkenauer, and Vohs, 2001; Rozin and Royzman, 2001). That is, negative and positive information is treated differently. Our research examines the differences in the relationship between willingness to pay and positive (versus negative) ethical product information.

Experiments 1 and 2 test the prediction that consumers are willing to pay more for ethical products and pay proportionately less for unethical products. The research design involved three between-subjects conditions where participants evaluated written scenarios of a coffee company followed by a questionnaire. Coffee was chosen because the subjects are very familiar with the product, and the price range tested is well within their financial means, making the choice as realistic as possible.

The results show that not only are consumers were willing to pay *more* for ethically-produced goods, but more importantly, a positive-negative asymmetry exists whereby consumers will pay substantially *less* for unethically-produced goods. The results indicate that when given information about the social behaviors of a firm, consumers are willing to reward a firm for its behavior, albeit only marginally more than in an unsure or no-information condition. However, consistent with previous research in other domains on positive-negative asymmetries, participants were willing to pay proportionately less for an unethically-produced good confirming that negative information (unethical product information) has greater impact than positive information (ethical product information). The substantive mean differences between conditions, and the standardized coefficients of the regression results, would suggest that the functional relationship between ethical behavior and WTP is steeper in the unethical direction than the ethical direction. Therefore, the negative effects of unethical behavior have a substantially greater impact on WTP than the positive effects of ethical behavior. Thus our positive-negative asymmetry account extends previous research in psychology and economics to show that this asymmetry persists into the domain of social marketing. These are encouraging results form a social welfare perspective, as they suggest that firms should behave in a socially responsible manner.

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# The Influence of the Online Decision Environment Characteristics on Consumer Selective Information Processing and Choice

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## EXTENDED ABSTRACT

The uniqueness of the online shopping environment and the rapid growth of the online retail sales make it important to understand consumer information processing and decision making in an online setting. Specifically, this research examines (1) how online decision environment characteristics influence the extent consumers selectively process attributes and alternatives and (2) whether selective information processing mediates the effect of decision environment characteristics on consumer choice.

The adaptive decision making view posits that due to limited cognitive capacity, consumers often use a variety of information processing and decision making strategies contingent on the decision environment to construct their preferences (Bettman, Luce, and Payne 1998). Thus, consumers' information search process can be highly selective. They only select certain attributes and alternatives to process and neglect others. *Selective* information processing refers to consumers spending unequal amounts of time or effort acquiring information for each alternative or attribute (e.g., Bettman, Johnson, and Payne 1991; Lurie 2004). Research shows that task complexity and selective attention influence consumers' decision about which information to select for processing (e.g., Bettman, Luce, and Payne 1998; Lurie 2004). Task complexity can be determined by attribute type (digital vs. non-digital), attribute correlation (positive vs. negative), and alternative organization (random vs. sorted); consumer selective attention can be affected by attribute perceptual salience (salient vs. non-salient) and alternative organization (random vs. sorted by the non-salient attribute).

As non-digital attributes require much more time and effort for consumers to process (Biswas and Biswas 2004; Lal and Sarvary 1999), when attributes are positively correlated, consumers can opt to use simplifying heuristics and process fewer attributes. Thus, the extent of selective information processing of attributes is greater for products with more non-digital (vs. digital) attributes and positive attribute correlation. However, when attributes are negatively correlated, using simplifying heuristics reduces decision accuracy. Thus, the extent of selectivity information processing of attributes is small regardless of attribute type when attributes are negatively correlated.

It is generally accepted that sorting alternatives by attribute helps consumers to screen alternatives. However, we hypothesize that the extent of selective information processing of alternatives is greater only when alternatives are sorted and attributes are positively (vs. negatively) correlated. When attributes are negatively correlated, screening alternatives by one attribute tends to reduce decision accuracy.

As consumers tend to pay more attention to the perceptually salient objects in the environment (Janiszewski 1998), they are likely to focus more attention on the perceptually salient attribute. Thus, they are likely to use the perceptually salient attribute to screen the alternatives. As a result, they may examine and choose alternatives with better values on the perceptually salient attribute. However, alternative organization may also increase the perceptual salience of the sorting attribute and consumers' screening behavior (Areni, Duhan, and Kiecker 1999). Thus, we predict when alternatives are listed in random order, attribute perceptual salience influences consumers' selective information processing of alternatives and choice; however, when alternatives are sorted by the *non-salient* attribute, attribute perceptual salience has no effect on consumers' selective information processing of alternatives and choice. As the adaptive decision making theory posits that consumers process information contingent on the decision environment and the process of information processing can create a new preference structure, we argue that consumer selective information processing of alternatives mediates the interaction effect between attribute perceptual salience and alternative organization on consumer choice.

Finally, based on the cost-benefit theory of consumer information search, we expect that the extent of selective information processing of attributes is negatively correlated with the extent of selective information processing of alternatives.

We tested these hypotheses in two experiments. We constructed an experimental web site in which attribute type, attribute correlation, alternative organization, and attribute perceptual salience were manipulated. Participants were asked to search for information on the experimental web site and make choices after the information search.

Results from the two experiments supported our hypotheses. Specifically, In Study 1, we find that consumers tend to selectively process attributes when there are more non-digital (vs. digital) attributes and attributes are positively correlated, and selectively process alternatives when alternatives are sorted (vs. random) and attributes are positively correlated. Further, the results also indicate that the extent of the two types of selective information processing is negatively correlated. In Study 2, we find that that consumers tend to examine and choose alternatives with better values on the perceptually salient attribute when alternatives are listed in random order. However, sorting alternatives by the perceptually non-salient attribute attenuates such an effect. Further, the results show that consumers' selective information processing of alternatives mediates the interaction effect between attribute perceptual salience and alternative organization on consumer choice.

This research adds to the literature of online consumer information processing and decision making by specifying the online decision environment in which consumers are more likely to selectively process attributes/alternatives. We further show that the impact of the online decision environment characteristics on consumer choice is mediated by how consumers selectively process information.

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# The Impact of Online Information on the Purchase of Certified Used Cars

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## EXTENDED ABSTRACT

Several markets are characterized by significant information asymmetries between buyers and sellers, with sellers possessing superior information to buyers about the true quality of their offerings. Sellers of low quality products therefore have an incentive to misrepresent the quality of their offerings. Lacking adequate information to distinguish higher quality from lower quality products, buyers are unwilling to pay a premium for higher quality products. To prevent the ensuing market collapse, these markets have resorted to quality-signaling mechanisms such as certification to help reduce the frictions associated with such information asymmetries. As is well known, when the quality signal issued by sellers of the product or service is costly, in a rational equilibrium, prospective buyers could use these signals to discriminate between products of differing quality. While such quality signaling mechanisms are valuable to both buyers and sellers in such markets, their value to consumers, and the competitive advantage they provide to sellers, depends crucially on the nature and extent of the information asymmetries in these markets. Signaling mechanisms are more valuable and result in higher returns when buyers face greater difficulty in acquiring information about underlying product attributes. This is especially true in the market for used goods.

Over the last few years the growth of the Internet has dramatically increased the availability of information to prospective buyers across a number of markets. Consumers now, have access to a wide range of information regarding products and services, as well as alternatives, to make purchase decisions. Such information can potentially help bridge the information gap between buyers and sellers, and significantly reduce the information asymmetries in these markets. The abundance of information available through various online sources brings to the fore questions regarding the salience and the value of conventional quality signaling mechanisms.

We study one specific used goods market- the market for used cars. Given the complexity of the offerings and the difficulty in determining quality, certification, in particular, plays a very important role in reducing the frictions inherent in the market for used cars. While certification has traditionally been valuable to buyers as well as sellers of used cars, the growth of the Internet, and the emergence of auto-retailing websites in particular, has dramatically increased the amount of information available to consumers seeking to purchase used cars. The changing landscape of used vehicle markets makes it an ideal setting to understand the impact of online information on consumers' choice of certification, and price paid–issues that would be of considerable interest to academicians as well as practitioners.

An interesting feature of the used car market is that, unlike markets where quality signals such as certification are provided by independent third parties, certification for used cars is largely provided by the dealers themselves. This is likely to increase the salience of online information for consumers who may no longer need to rely on certification as a source of vehicle information. We draw upon a unique and extensive dataset of over 12,000 consumers who obtained vehicle and transaction related information from online information sources in their used vehicle purchase process to examine the impact of their information acquisition on their choice of certified used cars, as well as the price paid. We use a matched sample of certified and non-certified purchases to estimate the impact of online information on certification and price, while addressing issues regarding treatment effects, error covariance and endogeneity within a three stage least squares estimation framework. Additionally, we control for several factors including vehicle characteristics, buyer demographics, experience and psychographics, unobserved vehicle quality, additional warranties, and seller type and location.

We find that while consumers pay a premium for certified vehicles compared to their uncertified counterparts, online information has different impacts on the price paid for certified versus non-certified purchases. In particular four different categories of online information are found to be valuable to consumers seeking to purchase used cars–reliability information, information about used-car features, transaction-related information, and information about alternatives. Interestingly, we find that the two product-related information categories–reliability and features-related information–decrease the demand for certification. In addition, these information categories increase the price paid by consumers for non-certified cars. In contrast, the two price-related information categories–transaction and alternatives-related information–increase the demand for certified used cars; and decrease the price paid for non-certified cars. Thus, we find that reliability and features-related information serve as a *substitute* to certification, while transaction and alternatives-related information serve as a *complement* to traditional certification of used cars.

This study makes several important contributions. It is among the first to characterize the various categories of online information sought by consumers seeking to purchase used cars. More importantly, our study is among the first to disentangle and examine the implications of these different types of information for the quality signaling mechanisms adopted by sellers of used cars. We show that the availability of different types of online information has a significant impact on consumers' choice of certified used cars and price paid. A key implication then is that, as long as the cost of providing different categories of information is low, online infomediaries can have a significant impact on buyer as well as seller behaviors in the traditional market for used cars. In particular, traditional dealers selling non-certified used cars benefit when consumers obtain more transaction and alternatives-related information. On the other hand, sellers of certified used cars benefit more when consumers have increased access to reliability and features-related information. Consequently, these findings also have significant implications for dealers' partnerships with different types of online information intermediaries.

*References available upon request*

# The Multiple Source Effect of Online Consumer Reviews on Brand Evaluations: Test of the Risk Diversification Hypothesis

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## EXTENDED ABSTRACT

Consumers are often exposed to persuasion attempts by multiple message sources. Advertisers, for example, provide an army of product endorsers to consumers in advertising containing multiple testimonials in favor of a product. With the proliferation of information on the Internet, the persuasive advantage of multiple message sources draws much attention from academics and practitioners because subjective experiences, evaluations, and opinions of a multitude of consumers can reach far beyond the local community to affect other consumers around the world (Dellarocas 2003; Mayzlin 2006).

Particularly, online consumer reviews (OCRs)–defined as any positive or negative statements made by potential, actual, or former customers about their experiences, evaluations, and opinions on products and services–are considered a major informational source for consumer judgments and a critical decision variable for online merchants (Chatterjee 2001). Recent studies demonstrate that the online reviews have a significant impact on sales of online merchants (Chevalier and Mayzlin 2006; Reinstein and Snyder 2005; Mayzlin 2006). Consistent with these findings, online merchants such as amazon.com, barnesandnoble.com, and circuitcity.com encourage their customers to post and read product reviews.

Although the multiple source effect of OCRs is not directly addressed, a spate of research has demonstrated that the use of multiple sources in persuasive communication is one of the most powerful strategies for increasing message advocacy (Moore and Reardon 1987; Calder, Insko, and Yandell 1974; Harkins and Petty 1981a, 1981b, 1987). One popular explanation for these observations has been that exposure to multiple message sources gives rise to greater conformity pressure as a result of normative influence (Krech, Crutchfield, and Ballachey 1962), or social majority impact (Latané 1981). In contrast to this view, Harkins and Petty (1981a, 1981b, 1987) demonstrate that greater message elaboration prompted by different arguments from divergent and independent message sources contributes to enhanced persuasion. Simply put, this message elaboration hypothesis suggests that a message recipient engages in more effortful scrutiny of information each time a new message source provides a different argument whereas the recipient puts less effort into processing an argument if it comes from the same message source already encountered.

A series of Harkins and Petty's studies has laid a strong theoretical foundation for understanding the underlying mechanism of the multiple source effect of OCRs on brand evaluations. This research argues, however, that the message elaboration account alone may not provide a sufficient explanation for the multiple source effect of OCRs because unlike in most message persuasion contexts consumers are often faced with significant purchase-related risks such as product performance uncertainty or privacy and security risks in transacting with online merchants (Friedman, Kahn, and Howe 2000). In this circumstance, WOM referrals like OCRs are perceived as one of the most effective information sources for reducing perceived risks (Murray 1991). The perceived diversity of review sources of OCRs may contribute to reduce perceived risks through the process of risk diversification. In many situations, consumers utilize diversification processes in order to reduce monetary and non-monetary risks. Sensible investors, for example, diversify their investment portfolio into a number of investment options in their expectation that profitable options will at least compensate for possible losses sustained from options that are not profitable (Bodie and Merton 1999). Consumers also seek a variety of product assortments to hedge their future preference uncertainties (Kahn 1995; Simonson 1990). Similarly, we postulate that consumers are likely to search for multiple arguments from more divergent sources of OCRs in order to construct a representative information portfolio that reduces their online purchase risks. In the current research, two experiments are conducted to test this risk diversification hypothesis.

Experiment 1 found that a more diverse pool of review sources and a larger number of positive OCRs enhanced brand evaluations because participants engaged in more message elaboration (Harkins and Petty 1981a, 1981b, 1987). Furthermore, the findings provided some intriguing evidence that such persuasive advantage might also have emerged because more diverse review sources were capable of reducing participants' online purchase risks, which was also true in the presence of the greater number of positive reviews. Experiment 1 thus raised a possibility that the multiple source effect of OCRs could enhance participants' brand evaluations not only through greater message elaboration but also through the process of risk diversification.

Experiment 2 supported our risk diversification view that greater perceived diversity of review sources contributed to enhanced brand evaluations under high risk contexts. Considering that exposure to OCRs in the low brand reputation condition prompted more effortful processing of reviews regardless of the review structure than the high brand reputation counterpart, the data provided strong support for the risk diversification hypothesis that more divergent review sources enhanced brand evaluations by reducing significant online purchase risks than a less diverse set of review sources. When no significant perceived risks were involved, however, increasing the number of OCRs contributed to brand evaluations as much as increasing the diversity of review sources of OCRs.

Contributions made from the present research are twofold. First, we have successfully replicated Harkins and Petty's (1981a, 1981b, 1987) message elaboration hypothesis on the multiple source effect within the context of OCRs. With the risk diversification hypothesis, we have further identified the perceived diversity of review sources as another important factor that determines the persuasive advantage of OCRs. In order for OCRs to have the alleged impact on brand evaluations, message elaboration and risk diversification processes must operate simultaneously, particularly when significant purchase-related risks are involved. Second, the current research is also of managerial significance to online merchants that are considering OCRs a strategic marketing tool. Prior research has shown that online merchants strive to increase the total number of OCRs in favor of products they sell or their website (Chevalier and Mayzlin 2006). This research implies, however, that it is also of equal importance that online merchants induce more diverse OCRs from multiple sources with dissimilar backgrounds.

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# Time versus Money: Differential Use of Heuristics

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## EXTENDED ABSTRACT

Economists usually treat time in a manner similar to their treatment of money—as just another scarce resource which people spend to achieve certain ends (Becker 1965). However, time and money are often treated differently by consumers. For instance, choices are risk-seeking for losses of money but relatively risk-averse for losses of waiting time (Leclerc, Schmitt, and Dube 1995). Relatedly, while studying time as a medium of exchange, Okada and Hoch (2004) find that when individuals pay in time rather than money, they display greater willingness to pay for riskier options. In the context of sunk costs, the consideration of past investments has been found to be relatively weaker for time (Soman 2001). Finally, extending prior work by Soman (1998), Zauberman and Lynch (2005) show that time costs are discounted more than money costs because of a difference in how slack (i.e., perceived surplus) changes from the present to the future; change in slack is greater for time than in money. To sum up, prior research reveals that when information such as magnitude of risk, prior investments, or time delay is processed by individuals in the context of time versus money, there are quantitative differences in how this information is utilized to arrive at judgments and decisions. We contribute to this stream of research by demonstrating that a qualitatively different form of decision making—making decisions based on quick and easy heuristics—gains prominence when one works with time rather than money. We show that this is largely driven by the fact that temporal (vs. monetary) information is harder to process.

The two heuristics we examine—compromise and anchoring—have been very well documented in the consumer research literature, and we focus on them to test our proposed theory. The compromise effect is a type of menu dependence (Huber, Payne, and Puto 1982; Simonson 1989) in which preferences are irrationally influenced by the menu of options in the choice set. This effect runs counter to the following notion of similarity: Given two options B and C, the inclusion of an option A, which is more similar to B than to C, ought to reduce the preference for B (relative to C) because some of those who earlier chose B can now choose A. Simonson (1989) demonstrates that including A can *increase* the preference for B. Because B is now in the middle of the {A, B, C} menu, it represents an easy-to-justify compromise. The other heuristic we examine, anchoring (Tverksy and Kahneman 1974), is the tendency to rely heavily, or anchor, on one piece of information in order to arrive at a decision. For instance, the willingness to pay for a product can be influenced by an arbitrary anchor such as the last two digits of one's Social Security number (Simonson and Drolet 2004). In a series of experiments, we examine whether such heuristics are used more in time than in money.

Experiment 1 shows that when a compromise option is made available, people rely substantially more on the heuristic of choosing the middle option, the compromise, when people expect to spend time rather than money. Experiment 2 shows a similar effect for the anchoring heuristic. When an anchor provides an easy way to make a decision, those in the time condition are more likely to rely on this anchor than those in the money condition. Experiment 3 replicates the results of the anchoring heuristic and provides direct evidence for the process that heuristics are used more in time because, compared to monetary expenditures, temporal expenditures are harder to account for. Consistent with this proposition, when participants in both time and money conditions are primed to account for their expenditures, they no longer differ in their use of heuristics. The associated response times offer additional process evidence.

Our findings add to literature on the use of heuristics in decision making. The reliance on heuristics has been found to vary with factors such as level of involvement (Chaiken 1980), constraints on processing capacity (Ratneshwar and Chaiken 1991), and type of emotion (Tiedens and Linton 2001). We believe that the factor we explore—currency—is significant because a considerable portion of people's spending decisions relate to time and, therefore, they might be driven more by heuristics.

Implications also arise for practice. Consumers sometimes have the choice to expend either money or time. When trying to sell a house, one could either pay a real-estate agent or spend one's own time looking for the highest bidder. If people spend time instead of money, and use different decision processes, it has implications for both consumers (i.e., home buyers) and businesses (i.e., real-estate firms). To sum up, people often make spending decisions. Our results suggest that the nature of the currency is important in determining how those decisions are made.

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# Achieving the Compromise Effect with Missing Attribute Information: Introducing Shadow Options

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## EXTENDED ABSTRACT

*Consider the following real life purchase situation:*

*You go to an auto parts store to purchase a set of four snow tires. The dealer shows you two options. Brand X costs $90 per tire and has a tag on it that indicates that it has a traction rating of 5.1 out of 7. Brand Y costs $125 per tire and the traction rating on its tag is 6.3 out of 7. The tags indicate that the traction ratings are provided by the same well respected auto magazine. Just as you are about ready to choose Brand Y because of its better traction rating, the dealer tells you that the store also carries Brand W that costs only $60 per tire, but that the magazine has not provided a traction rating for it. You consider the idea of buying that tire for a minute. You decide that you are not going to buy it without knowing the traction rating, but even so the total cost is only $240 for a set of 4 tires compared to $500 for a set of the Brand Y. Maybe it is not worth paying so much after all. You ask yourself: what is the difference between a 5.1 vs. 6.3 rating anyhow? As you think more about it, paying $360 for a set of Brand X tires seems like a better choice and you change your initial decision of buying Brand Y.*

In the scenario above, introducing a third option, even though this option was missing a crucial piece of information, changed the initial choice in the binary set and increased the choice probability of the middle option in the new choice set. If the marketer had not mentioned the third option, the final decision would have been different. Some reflection suggests that consumers face numerous similar scenarios during their purchases. For instance, the local wine store where the authors live, like many other internet and bricks and mortar wine merchants, regularly reports wine evaluation scores from the *Wine Spectator,* a respected and apparently unbiased wine magazine. These scores are reported for some wines and not for others for two reasons, first because *Wine Spectator* cannot possibly rate every wine, and second because the wine merchants may choose not to report the scores.

Brands gain share when they become center options in a choice set (Simonson 1989). This phenomenon, known as the *compromise effect,* has been shown in past literature when a third option (W or Z) was added to a binary choice set (X, Y). In the vast majority of cases there was a large and significant increase in the choice of the option (X or Y) adjacent to the newly added option as the existing option takes the middle or compromise position in the new X, *Y*, Z or W, *X*, Y set. In these studies, all options were described with two attributes each, and all attribute information was provided. The new option (W or Z) was relatively better than X and Y on one attribute and relatively inferior to X and Y on the other attribute.

In this manuscript, we investigate whether the introduction of a third option with a missing attribute also leads to a compromise effect. As one of its attributes is unknown, this new option can have any value for that attribute. Thus, it may actually be much *better or worse* than X or Y on either dimensions and away from the trade-off line (as defined in Sheng et al. 2005). Due to its missing attribute and its unknown location in the choice set, this alternative will generally achieve a low choice probability. Hence we refer to it as the *shadow option*. It is important to note that a *shadow option* is a distinct concept from that of a *phantom decoy* used in earlier literature (Simonson 1989). More specifically, shadow options have missing attribute information but they may still be chosen by the decision maker, whereas phantom decoys have complete attribute information but they are not available for choice.

In three empirical studies, we investigate the robustness of the compromise effect achieved by the addition of a shadow option to a binary choice set. In the first study, we show that the compromise effect holds for a newly added option when only one attribute is available (one attribute is missing) as well as when both attributes are available (no attributes are missing). There is an important distinction between the two cases, because in the case of missing attribute information the newly added alternative may actually be better or worse than the existing ones, whereas in the case of complete information the new option will be superior to both existing options on one attribute and inferior on the other.

In the second study, we demonstrate that the shadow option (W or Z) alters choice probabilities in favor of the adjacent option whether it is next to X or to Y (i.e. *W*XY or X*Y*Z). In either case, the choice of the new compromise option is increased. Also in this study, the missing attribute types are reversed, and different types of products are included. It is demonstrated that the effect is independent of attribute or product type. In the third study, we examine three important issues. First we investigate whether the effect occurs due to attribute polarization (extreme attribute values of the shadow option). Second, asking some participants to make explicit inferences about the missing attributes, we also identify where they locate the third (shadow) option in their mental maps relative to the other two options and therefore, we are able to show that the observed effect is in fact a compromise effect rather than another violation of independence of irrelevant alternatives (IIA). Finally, we explore how being prompted to make explicit inferences about missing attribute information affects the choice of compromise option. Parallel to past studies which suggest that choice justification increases the compromise effect, we find an increase in the effect when consumers are prompted to make explicit inferences about the missing attributes.

Our findings have important theoretical implications for defining and understanding the mechanism that underlies the compromise effect. We discuss various practical implications for marketers and sales strategies for manipulating consumer choices.

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# Would Perceived Unfairness Lead to Regret?

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## EXTENDED ABSTRACT

Realizing one has involved in an unfair transaction (e.g., unfair pricing practice) can be shocking and regretful; such feelings could drive consumer to refrain from future transaction with such company. Much of the extant literature on regret are based on regret theory (Bell 1982; Loomes and Sugden 1982), which views regret as a result from the comparison of the chosen outcome against the outcome of a forgone or imagined alternative. The focus is placed on the outcome discrepancy; how such discrepancy arises is assumed to have no impact on regret whatsoever (see Pieters and Zeelenberg 2005 for an exception). However, fairness of a situation may signal the goodness or appropriateness of a decision, leading to regret, even when such cognition comes into light after the fact.

The article's main hypothesis echoes the theme of the ACR 2007 conference in "building bridges", positing that perceived unfairness may lead to regret, independent of outcome and outcome discrepancy. Both fairness and regret involve a comparison standard. While regret arises from comparison with an imagined or forgone outcome, fairness arises from comparison with a socially comparable outcome obtained by similar others. This article not only examined both constructs simultaneously but also linked them together. This unfairness-regret hypothesis is evidential in consumers' regret on their decision to have purchased from businesses with unfair practices (e.g., unfair pricing, racial discrimination, child labor) (Feinberg, Krishna, and Zhang 2002; Smith 1990; Streitfeld 2000). These observations are consistent with Bell's (1982) proposition that regret may arise when individuals realize, after the fact, to have made the wrong decision. Other hypotheses examined how outcome discrepancy leads to satisfaction and repurchase intention and what roles do fairness and regret play in affecting them. A model is proposed to examine the relationship among outcome discrepancy, perceived fairness, experienced regret, satisfaction, and repurchase intention in a consumer decision making situation involving interpersonal comparison standard.

In an experiment, each participant read a scenario describing the shopping of internet connection service. Since valence of outcome may independently influence regret, the actual amount paid was controlled across all conditions. Outcome discrepancy was manipulated by whether the price paid by a friend for the same Internet service provider was higher (favorable condition), the same (equal condition), or lower (unfavorable condition). To control for an expectation of the possibility of price discrepancy, participants in all conditions were made aware of such possibility. All other relevant variables, such as price expectation and service quality, were also controlled.

A structural equation model was built to test the proposed model and the model fitted the data well. The results suggested that when information on outcome of other consumers (e.g., price paid or performance received) is available, consumers consider outcomes of others as reference points to compare with their outcomes in forming perception of fairness and experiencing regret. Realizing one has purchased from or participated in a transaction with a business that, after the fact, deemed to be unfair does lead one to regret from participating in such a transaction. This unfairness-regret relationship is outcome dependent and outcome discrepancy dependent. In addition, it questions the assumption that regret is experienced only when a foregone outcome is better than that of the chosen option.

The data also suggested that the influences of social comparison on satisfaction and repurchase intention are fully mediated by fairness and regret. Satisfaction is mainly driven by perceived fairness; repurchase intention is mainly driven by experienced regret. Furthermore, the data suggested that discrepancy between one's outcome and a comparable other's outcome has a significant direct influence on consumer's repurchase intention. Although this effect was not hypothesized, it was not a total surprise. Sometimes we obtain a better treatment than some comparable others (e.g., our friends, family, coworkers), even we might not judge such outcome to be fair nor express satisfaction with such outcome immediately, it is logical and reasonable for us to go back the next time, perhaps alone, as we have learned that such decision would lead to good outcome.

The article contributes to marketing literature in several ways. First, we examine the simultaneous influence of fairness and regret on satisfaction and repurchase intention. We found that price discrepancy influences satisfaction; and such relationship was fully mediated by perceived fairness and regret. Besides, a direct influence from fairness to regret was also found and regret had a direct influence on repurchase intention, after controlling for satisfaction.

Second, it proposes and finds evidence to support the unfairness-regret hypothesis. That is, regardless of the outcome, lower perceived fairness leads to higher regret. This hypothesis is important because it questions the assumption that regret is experienced only when a foregone outcome is better than that of the chosen option. The effect cannot be explained by counterfactual thinking as it is captured by the social comparison variable. This article demonstrated that fairness of a situation has a direct influence on regret, which in turns directly affects repurchase intention. This article highlights that the consumer cares about not only getting a good deal, but also getting it in a fair way.

Third, it explicitly calls for attention to examine regret in interpersonal contexts. Most of the literature on regret focused on individual decision making. This article explicitly examined how social influence affects regret and invoked social comparison theory in guiding our hypotheses formulation. Results from the experiment demonstrated that the influence of regret is inflated when fairness was ignored, suggesting a limitation of existing models of regret that did not incorporate social comparison.

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# Big Raccoons and Small Giraffes: Anchoring in Sequential Judgments

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## EXTENDED ABSTRACT

Ever since Tversky and Kahneman (1974) showed that irrelevant anchors can affect judgments, researchers have investigated the boundary conditions of this effect. Most research since then has focused on the original paradigm, where people are asked to make an explicit comparison between the object being judged and some (arguably) irrelevant anchor (Jacowitz and Kahneman, 1995; Strack and Mussweiler, 1997). More recently, researchers have also looked at situations where the anchor is self generated as an approximate, but incorrect benchmark for the requested judgment (Epley and Gilovich, 2001). Although both of these procedures have produced consistent anchoring effects, the range of circumstances under which numbers in the environment affect people's estimates is still unknown. Some studies have argued that simply writing down a number 35 times (Wilson, Houston, Etling, and Brekke, 1996), or even being exposed to it subliminally (Mussweiler and Englich, 2005) can cause anchoring, while others have argued that such effects are weak and hard to replicate (Brewer and Chapman, 2002).

In this research, we explore the extent of anchoring in a common situation–when respondents render multiple judgments sequentially, as they do in many surveys. Suppose, for example, respondents were asked to estimate the weight of an average adult giraffe. Will the giraffe then be judged as being lighter or heavier if they also first estimated the weight of an adult raccoon? Suppose further that another group estimated the weight of both a raccoon and a wolf before judging the weight of a giraffe. Would this matter? What would be the direction of the effect? This particular form of anchoring has not been well explored in the literature. Moreover, the effect of more than one anchor is rarely examined, even though in most situations people commonly make multiple judgments.

In the first study, we tested whether judgments to previous questions can anchor subsequent ones. We presented participants with questions of objective quantities (such as the weight of an average adult giraffe), and manipulated the number of estimates preceding the target question. In one condition, the target question appeared alone. In a second, it was preceded by an estimate of a related but lesser entity (e.g., the weight of an average adult raccoon). In a third condition, it was preceded by a question asking for the estimate of a medium entity (e.g., the weight of an average adult wolf). In the fourth condition estimates of both the smaller and medium entities preceded the target judgment. We found across various domains that previous questions function as anchors of subsequent ones. The judgments of the target questions were assimilated towards the previous judgments. We also found that the effect was larger when the target judgments were preceded by both the small and medium judgment than when preceded by either the small or medium judgments alone, suggesting that multiple prior judgments can amplify the effect.

In study 2, we tested whether target judgments are anchored on preceding judgments unrelated to the target domain. For example, prior to the giraffe judgment, respondents were asked to estimate the number of states east of the Mississippi, and the average lifespan of a Japanese woman (which yield similar estimates as the weights of a raccoon and wolf respectively). We found that simply producing smaller numbers in preceding responses does not cause anchoring. We also tested whether the effect was produced by conceptual priming apart from produced responses. For example, prior to the giraffe judgment, respondents were shown pictures of a raccoon and a wolf, and were asked to identify them. Our results showed that it is also not sufficient to merely group the giraffe with the smaller animals. It appears instead that both conditions are necessary–preceding judgments must be made and those judgments must have conceptual similarity to the target domain. This restricts the set of circumstances in which we should expect anchoring in surveys, although the remaining subset is still pretty large.

These findings have important implications for the anchoring literature as well as for survey research in general. They add to the growing literature showing that anchoring effects are much more prevalent than previously thought. Even though there was no explicit comparison with the previous judgments, the target judgments were assimilated towards them. The results also demonstrate that anchoring effects extend beyond the immediately preceding judgment to even earlier ones. This finding poses a challenge for the existing theories that try to explain the anchoring effect. More generally, these studies suggest the existence of an important consideration in survey design that is often overlooked.

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# If I Want You to Like Me, Should I Be Like You or Unlike You? The Effect of Prior Positive Interaction with a Group on Conformity and Distinctiveness in Consumer Decision-Making

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## EXTENDED ABSTRACT

The extant research points to contradictory findings regarding social influence in consumer decision-making. On the one hand, there is empirical evidence which suggests that consumers conform to other members of their groups. For example, Venkatesan (1966) presented participants with three identical men's suits and asked them to choose the best suit individually or in the presence of three confederates who uniformly pointed to the target suit. Consistent with the notion of conformity, participants followed the responses of confederates and selected the target suit more often in the group rather than in the individual condition. On the other hand, several more recent studies demonstrated the opposite effect, namely, that individuals seek distinctiveness in the presence of others. For example, Ariely and Levav (2000) examined the sequential choices of people in a small group setting and showed that every next person in a group tried to select something different from what other individuals before him or her had chosen.

The goal of the present research is to reconcile these conflicting results. To this end, I propose that whether a person will conform to or seek distinctiveness from others in a particular consumption situation is contingent on the absence or presence of one's prior positive interaction with the group. I also suggest that this effect will occur in a public context, that is, when an individual's choice is visible to other group members.

Theoretical arguments for the above relationship build on the idea that people are driven by two fundamental and equally strong motives–the desire to belong with others and the desire to be unique. The main proposition, which is based on the Optimal Distinctiveness Theory (Brewer 1991), is that these two motives compete with each other in a such way that satisfaction of the former activates the latter, and vice versa. More specifically, I suggest that when individuals do not have an experience of prior positive interaction with the group, they will be more likely to conform. The rationale for this proposition is that on such occasions the need to belong is not yet satisfied, and individuals will be motivated to gain approval by and to create a common identity with the group by choosing the same brands and/or products as other group members. And alternatively, I expect that when individuals already have a history of positive relationships with the group, they will be more likely to seek distinctiveness from other members because in this situation the need to be unique will take precedence over the need to belong.

The results of experiment yielded support for the interaction effect of prior positive interaction with the group and visibility of one's consumption decision to others on conformity and distinctiveness. Specifically, I found that individuals were more likely to follow the preferences of other group members when they believed that others would become aware of their consumption decisions yet they did not have a history of positive relationships with the group. As predicted, the pattern of results was reversed after people experienced positive interaction with other members of their group. In this situation, individuals were more likely to make choices which allowed them to stand out of the group rather than choices which signified conformity to others. Consistent with expectations, no evidence was found for the relationship between prior positive interaction with the group and either conformity or distinctiveness in the context of private consumption decisions.

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# A Psychophysiological Perspective of the Stress-buffering and Persuasive Impact of Positive Communication Style

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## EXTENDED ABSTRACT

Consumers' search for health information is often prompted by their personal encounter with health threat. At the time when consumers resort to health information, they are often under considerable stress. Thus, health communicators must strive to alleviate stress while at the same time maximize persuasive impact. In this study we look at the stress-buffering and persuasive impact of positive communication style, via the use of positive peripheral pictures, on consumers facing health threat. Different from prior studies, we used a psychoneuroendcrine (PNE) model of stress, which views stress as an integrated process that involves affective, autonomic and endocrine changes. The PNE approach allows us not only to examine the role of positive communication style in alleviating both psychological and physiological stress reactivity but also to uncover the psychophysiological mechanisms underlying the persuasive effect of positive communication style.

Studies from positive psychology suggest that for individuals under stress, positive stimuli have the potential to alleviate psychological and physiological stress reactivity. Based on the PNE model of stress, we hypothesize that for consumers who have undergone a health threat, health communication presented in a positive style by using positive peripheral pictures will reduce psychological distress, and autonomic and endocrine reactivity than health communication presented in a neutral manner (H1).

Research evidence suggests that people under stress concurrently engage in two modes of coping, that is, approach and avoidance. Approach coping represents a cognitive and emotional orientation toward threat or threat-related information, whereas avoidance coping represents an orientation away from threat or related information. Research has shown that positive stimuli and its ensuing positive affect can broaden one's thoughts and actions repertoire and facilitate cognitive processing of potentially threatening information. We thus hypothesize that for consumers facing health threat, positive communication style will lead to better persuasive outcome than neutral communication style (H2). We further hypothesize that the impact of positive communication style on consumers under stress will be mediated by changes in affective and physiological responses. Specifically, when communication is presented in a neutral style, the unmitigated psychophysiological responses will have negative impacts on persuasion. However, when the same information is presented in a positive style via positive peripheral pictures, the negative impact of psychophysiological reactivity will be attenuated (H3).

Hypotheses were tested through a 2 (stress condition: stress vs. no stress) x 2 (communication style: positive vs. neutral) between-subject design. Eighty healthy women from the local community participated in the study. Participants first preformed a mental imagery task, which was used to manipulate stress, and then a web-browsing task, which was used to manipulate communication style. In both tasks, autonomic responses were continuously measured. Mood and endocrine responses were measured three times: before the imagery task, between the imagery and the web-browsing tasks, and after the web-browsing task. Finally, the persuasive impact of health communication was measured using a self-administered questionnaire.

Stress was manipulated using a guided mental imagery task which pertains to health-related scenarios: osteoporosis prevention (the no-stress condition) and a mammogram screening procedure (the stress condition). In the stress condition, participants were led to imagine, with the aid of computed-mediated instructions and audio-visual cues, detecting a suspicious lump in the breast, going through a mammogram screening procedure and finally reaching the point of waiting for screening results. In the no-stress condition, participants imagined several low-risk scenarios such as paying a routine visit to the physical therapist and engaging in mild exercise.

Communication style was manipulated through a consumer health information website, which offers information and recommendations on various healthy lifestyle behaviors. The positive communication style was operationalized by embedding non-content-related background color pictures of natural scenery on the periphery of the webpage. These pictures had been pre-tested to elicit positive affect relative to neutral stimuli. In the neutral communication style condition, the same information was presented without using peripheral pictures. Except for the presence/absence of pictures, the information and recommendations in both conditions were identical in all other aspects.

Psychological responses were measured using the short form of the Profile of Mood States (POMS-SF). Following standard scoring procedure we calculated an index of negative mood and an index of positive mood. Autonomic responses were measured using a computer-based physiological data acquisition system. Two measures of autonomic response were derived: skin conductance level (SCL) and heart rate variability (HRV). Endocrine response was indexed by salivary cortisol. Persuasive impact was measured in terms of attitude toward the health communication.

The analysis shows that compared with health information communicated in a neutral style, information presented in a positive style alleviated psychological, autonomic and endocrine stress reactivity. Thus H1 was supported. Moreover, for stressed consumers the positive communication style also induced superior acceptance of the persuasive messages, thereby supporting H2. A further look at the PNE mechanisms suggests that for stressed consumers, the positive communication style increased the persuasive impact relative to the neutral style by changing the nature of the effect of PNE responses on persuasion. Specifically, for stressed consumers the PNE reactivity had negative effects on persuasion when the information is presented in a neutral style, but a positive impact on persuasion when the same information is presented in a positive style. These findings supported H3.

Although the stress-buffering influence of positive stimuli is not new to researchers, it is the first time that we observed such an influence in a communication context. Perhaps more importantly, our findings shed light on the underlying psychophysiological mechanisms of the persuasive impact of positive peripheral cues. Our findings show that affective, autonomic and endocrine changes during exposure to communication each uniquely mediated the persuasive impact of positive communication style. These findings suggest that an exclusive focus on psychological aspect of stress experience, as is typical of current literature, may have neglected important mechanisms underlying attitudinal change under stress.

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# The Evolution of New Product Rumors in Online Consumer Communities: Social Identity or Social Impact?

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## EXTENDED ABSTRACT

Prior studies of consumer word of mouth behavior have focused on released products. This research indicates that word of mouth serves as a complement to other sources of information such as advertising and expert reviews. However, consumers also engage in word of mouth about unconfirmed, unannounced, and unreleased products. Such rumors develop and spread in the absence of the kind of outside information present in the contexts previously studied in the word of mouth literature.

Research on rumors in the social psychology literature has found that the emergence and diffusion of rumors depends on the social context and the groups involved. These results suggest that new product rumors may spread and change depending on the social context in which they exist and the interests of those spreading the rumors. Therefore, two theories of group formation and intergroup communication are considered.

Social Identity Theory is the perspective adopted by the brand community literature. Social Identity Theory contends that intergroup dynamics are naturally competitive due to attempts by group members to maintain and enhance their relevant social identities through intergroup comparisons. As a result, consumer groups formed around competing products will tend to develop and spread rumors that reflect positively on their favored product and negatively on competing products. Over time, this will lead to a polarized environment with rival consumer groups either discussing completely different rumored products or discussing the same product but in different terms. This polarization should be most pronounced among the most frequent participants since they will hold the strongest social identities.

On the other hand, if social identities are not as influential as the brand community literature suggests, Dynamic Social Impact Theory may be more instrumental in understanding the diffusion of new product rumors. Dynamic Social Impact Theory lacks the competitive intergroup dynamic suggested by Social Identity Theory. Instead, it suggests that the spread of new product rumors between groups will follow an iterative and assimilative process. Therefore, new product rumors should diffuse between consumer groups formed around competing products. As a result, new product rumors discussed in rival groups will become more similar over time. Furthermore, this convergence should occur more rapidly among frequent participants in each group since they are subject to the highest levels of social impact.

To test these competing theories, actual word of mouth communications regarding a rumored product were gathered from three online forums. Two forums were dedicated to the products of two competing companies: Intel and AMD. In addition, messages were gathered from a third neutral "General Hardware" forum. The messages cover the period from when the first rumor about the product appeared until the non-disclosure agreement prohibiting the release of information about the product expired. The final dataset spans a period from March 2004 to July 13, 2006 and contains 409,576 messages posted from 18,121 unique user accounts.

The message data was analyzed using Centering Resonance Analysis (CRA) which uses a form of network analysis grounded in centering theory. The centering theory approach employed by CRA makes it well suited to studying new product rumors. Such rumors are comprised of evolving networks of associations centering on a focal subject. Over time, these associations change as the rumor spreads between individuals and groups. CRA identifies these networks of associations and provides a method to measure both the relationships and the degree to which networks vary between texts. Therefore, CRA provides a means to assess whether rumors are growing more or less similar and more or less focal within and across the three forums.

The results show that new product rumors become more similar between the rival consumer forums over time. Furthermore, the pattern of results holds even for members who are dedicated to one forum and refrain from participating in the rival forum. In addition, there is a lag in the convergence process with similarity between contemporaneous messages being greatest for later time periods in the two rival forums. This lag is consistent with a diffusion process.

This pattern of findings supports the predictions made by Dynamic Social Impact Theory. The results show that members of competing groups are willing to spread rumors about competing products. Furthermore, they are willing to spread rumors which are similar to those from opposing groups. Finally, even members dedicated to one group are willing to adopt and spread such rumors.

Overall, these results call into question the assumption that dedicated, identified users will refrain from spreading rumors about rival products. Our results strongly suggest that, at least in some circumstances, they are willing to do so. We should emphasize that these results do not indicate that social identities were not present. On the contrary, some participants showed clear evidence of the ingroup bias associated with social identity when selecting *where* to post. However, these same members did not act to protect their social identification when deciding *what* to post. This may be a result of either conflicting identities among group members or an indication that the frequent participants in the opposing consumer community are considering purchasing the rival product. Future research should explore these potential explanations.

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# A Life Course Perspective of Family Meals Via the Life Grid Method

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## EXTENDED ABSTRACT

As much as any consumption behavior, the ritual of the family meal serves to define roles and identities, establish social relationships of inclusion and exclusion, and convey meanings of taste and style. Over the course of a lifetime, meal patterns are altered to conform to changing relationships, economics, nutritional ideology, geographical locations, technologies, health concerns, styles, and many other influences. As a result, systematically investigating how the meanings and processes of meals change in response to individual, generational, and historical influences can increase our understanding of changes in family consumption behavior over a lifetime. This research examines the dynamics of family meals by pairing life course theory with the life grid method of obtaining oral histories to capture the historical and social forces of change.

The primary framework currently used to look at generational differences in household consumption behaviors, such as meal patterns, is the family life cycle. However, the family life cycle is a model of trajectories in which consumption patterns are assumed to be somewhat steady state in nature. As such, it ignores the transitions between stages and the likely possibility that those transitions are experienced differently today than they were in earlier times. Variation in the life courses of different generations creates cohort effects that influence consumption profoundly. As Scott et al. (2006, p. 23) note, errors of presentism (i.e., assumptions and agendas of the present are projected upon the buyers of the past) exist. Methods that study changing consumption patterns in historical context are needed to counteract errors of presentism.

This research uses the life grid method to examine changes and continuities in family meals over a life time. Combining components of the structured and unstructured interview (Fontana and Frey 1994), the life grid method involves asking respondents questions about events that have occurred in their lifetimes, including historical events (such as the 1929 Depression and World War II) and internal events (such as changes in jobs, residences, and family). These lifetime events are then used as cues when questioning the respondent about patterns in individual or family behavior. Through the collection of mutually reinforcing memories, the life grid method enhances recall of less memorable details in individuals' lives (Berney and Blane 2003).

We conducted interviews with 15 participants, aged 80 and over, living in four different senior resident centers, about how their meals have changed over the course of their lifetimes. In the course of the interviews, the interviewer worked with each participant to construct a "life grid," by working chronologically though time to record the residences, jobs, and family changes of the participant. After the life grid was completed and the participant's life history was outlined on paper, the interviewer could pair the life grid with historical events to cue the participant to particular times in his or her life and make inquiries about meals.

To analyze the interviews, we used the themes of life course theory (Bengston and Allen 2003). We found that multiple temporal contexts of development, including individual changes, generational changes, and historical changes interacted to affect family meals. Major historical time events like the Great Depression and World War II had a profound impact on the family eating patterns of our participants, with social class mitigating the extent to which families had to adjust their eating behavior according to these events. In addition, participants recalled how transformational developments and technological innovations, including changing food retail structures and new home appliances (e.g. refrigerators and microwaves), had changed both the composition and patterns of their meals.

Normative expectations or aspirations related to family structure also affected the family meals of our participants. Through analysis of the interviews, we learned how individuals' roles and responsibilities changed in response to micro- and macro-environmental elements, as they aged, acquired spouses and children, changed jobs and locations and experienced historical events. In their current stages of lives, our participants continued to develop new roles and relationships, as they developed "family" bonds with other residents of their resident centers.

A "diachronic perspective on development" was also elucidated through the interviews, with the focus on entire lives rather than enclosed periods of time. We learned how our respondents were able to adjust, sometimes quickly and sometimes gradually, to sudden or incremental changes in their life paths. While the respondents shared the commonality that they were all currently living in a residential center, they displayed much heterogeneity, according to past and current influences, in terms of their adjustments to eating meals in a community environment.

Altogether, we found collecting oral histories from the elderly via the use of the life grid method to be helpful in analyzing changes in family meals over the past eight decades. In particular, it offers interesting glimpses of the development of the family in response to socio-cultural and historical developments. In addition to food-related behaviors, a number of lifelong consumption activities and products would be interesting to study through structured analysis of the effects of influential events, including home purchases, vacations, celebratory activities, investments, educational services, arts activities, and many others.

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# Cognitive Load, Need for Closure, and Socially Desirable Responding: Cognitively Constrained versus Motivated Response Biases in Cross-Cultural Consumer Research

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## EXTENDED ABSTRACT

With globalization, survey researchers have increasingly studied cross-cultural differences in various consumer behaviors, including determinants of decisions under uncertainty (Fong and Wyer 2003), effects of emotional appeals on persuasion (Aaker and Williams 1998), country of origin effects on product perception (Gürhan-Canli and Maheswaran 2000), and salespeople's ethical sensitivity to stakeholder interests (Blodgett, Lu, Rose, and Vitell 2001). Given the plethora of cross-cultural studies conducted in recent years, it is important to understand how socially desirable responding (SDR) differentially influences participant responses across cultures. Prior research distinguishes between two types of socially desirable responding–*self-deceptive enhancement* (SDE) and *impression management* (IM). SDE is a spontaneous tendency to present an internalized, unrealistically positive view of the self, whereas IM is the deliberate, strategic presentation of a socially approved image of the self (Paulhus 1991).

Recent research suggests that consumers with an individualist cultural orientation differ from those with a collectivist orientation not only in the degree of SDR, but also in the relative prevalence of different SDR styles. Specifically, because individualists are especially motivated to view themselves as independent, self-reliant, and unique, they have a propensity to engage in SDE (Heine and Lehman 1999; Lalwani et al. 2006). Such responses help to establish a view of oneself as capable of being successfully self-reliant, skillful, and competent. Conversely, because collectivists are driven to seek social approval and avoid social disapproval, they are especially likely to provide normatively desirable and socially appropriate responses and, hence, to engage in IM (Heine and Lehman 1999). Consistent with these ideas, considerable evidence supports a positive association between individualism and SDE and between collectivism and IM. In contrast, no relationship has been observed between individualism and IM and between collectivism and SDE (Lalwani et al. 2006). The presence of culture-specific SDR styles renders direct comparison of cross-cultural survey data difficult and less meaningful.

An understanding of how motivational and cognitive factors in the survey context influence cultural differences in SDR styles is important for survey researchers. In a survey setting, participants are expected to give responses that reflect their true perceptions and beliefs. However, some cognitive and motivational demands in the survey setting may increase the respondents' reliance on culture-specific SDR styles as a way to cope with the demands. Therefore, one major research challenge is to identify the cognitive and motivational demands that accentuate cultural differences in SDR styles, so that with knowledge gained from addressing this issue, survey researchers can anticipate how the survey settings could elicit different levels of culture-specific SDR styles. Two such demands examined in the current investigation are cognitive busyness and need for closure.

Because SDE is a spontaneous and automatic process, we hypothesized that cognitive load would not influence individualists' tendency to engage in SDE. In contrast, depletion of cognitive resources would interfere with the execution of an effortful process (Gilbert and Osborne 1989) like IM. Hence, the tendency to engage in IM will be significantly reduced when the introduction of additional cognitive load renders collectivists cognitively busy.

Since individualists do not engage in IM to begin with (see Lalwani et al. 2006), a cognitive load manipulation would not have a discernible effect on individualists' tendency to engage in IM. In short, cognitive load is expected to reduce IM (but not SDE) among collectivists only: cultural differences in IM are hypothesized to be *less* pronounced when consumers are cognitively busy (vs. non-busy). Thus, making consumers cognitively busy would *reduce* the influence of cultural orientation on IM.

Need for closure (NFC) is a personal desire for firm answers that provide epistemic closure (Kruglanski and Webster 1996). An important source of epistemic closure is cultural consensus; individuals feel epistemically secure when their beliefs are widely accepted in their reference groups or cultural groups (Fu et al. 2007; Kruglanski et al. 2006). Considerable evidence suggests that high (vs. low) NFC individuals have a greater tendency to follow cultural norms (Chiu et al. 2000; Fu et al. 2007). Since NFC increases adherence to normative cultural practices, we hypothesized that cultural differences in SDR styles would be more pronounced among high versus low NFC consumers. Specifically, the association between individualism and SDE and that between collectivism and IM should be stronger among high (vs. low) NFC consumers. Six studies supported these hypotheses.

The findings have important theoretical and methodological implications. By examining the moderating role of cognitive load and NFC in the culture-SDR relationship, the paper sheds light on the cognitive and motivational processes that underlie culture-characteristic SDR styles. The studies also advance our understanding of the distinct impact of cognitive load and NFC—two variables that have been believed to act similarly by several researchers (e.g., De Dreu, Koole, & Oldersma 1999; Kardes, Cronley, Kellaris, & Posavac 2004; Webster & Kruglanski 1994). Methodologically, the findings may aid researchers in modifying the cognitive and motivational environment in survey settings to reduce cultural responses biased by distinct SDR styles.

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# Construction of Country-Specific, Yet Internationally Comparable Short Form Marketing Scales

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## EXTENDED ABSTRACT

Using scientific methods of measurement, analysis, and interpretation are the foundation of marketing's claim to be a science. In the last decades, measurement of consumer behavior and marketing constructs has improved tremendously. Our discipline has also started to systematically catalogue our measurement knowledge in influential handbooks of marketing scales. The popularity of these books is due to marketing science's strong desire to use measurement instruments that are rigorously validated in previous research, rather than ad-hoc constructed scales. However, at least two important issues remain.

First, existing scales are often too long for administration in non-student samples and applied studies. Long scales are well-known to lead to higher costs of data collection, respondent fatigue and frustration, and respondent attrition. Consequently, researchers have started to develop short-forms of existing scales. Moreover, existing common practice to select high-loading items for a short-form does not allow the researcher to measure particular ranges of the latent construct with varying precision, even if academic or managerial insight dictates otherwise.

Second, while it makes much sense to start scale development in the largest, most advanced economy of the world, it is increasingly recognized that marketing theories and measurement are affected by socioeconomic, institutional and cultural contexts. Unfortunately, international marketing research presents important measurement challenges. Scale length becomes an even more pertinent issues as data collection costs multiply by the number of countries. The educational attainment of non-U.S. respondents is often lower, making respondent fatigue and attrition even more problematic. Moreover, it is not obvious that U.S.-developed measurement items are equally informative in other countries. The scales may contain items that are not informative about the underlying construct in particular countries, while relevant items tapping into local cultural expressions of the construct in question may be missing. Although researchers have acknowledged the problems with standardized scales (also known as "imposed etic scales"), the question is how to compare country scores if the set of items differs across countries. What is needed is a method that evaluates the information content of items for each country, allows for shorter scales and country-specific items, and yields sample-independent item characteristics that can be used by other researchers in new samples, while still enabling substantive cross-national comparisons across countries.

For this purpose, we propose a new model that yields fully country-specific, yet cross-nationally comparable short form marketing scales. The procedure is based on a combination of two powerful psychometric tools: hierarchical item response theory (IRT) and optimal test design methods (OTD). Hierarchical IRT has recently been introduced in the marketing literature, while OTD has not been used to date. IRT-based item parameters are sample invariant, and hence, can be used to score respondents in new samples on the same underlying scale. This allows comparison of new findings with previous findings, whether obtained in the same country or in other countries where the model has been applied before. This is another step towards generating a rigorous bank of marketing data and findings that is characteristic of science. The procedure is flexible in the sense that the researcher can specify various constraints on item content, scale length, and measurement precision. Researchers can either impose that the scale length varies across countries, or impose a fixed length across countries at the expense of cross-nationally varying reliability. Moreover, precision can vary along the trait continuum, dependent on a researcher-specified distribution.

Our procedure can be used to construct a short-form marketing scale in a single country or in multiple countries. Since our procedure allows inclusion of country-specific (or "emic") items in standardized (or "etic") scales, it presents an important step toward resolving the emic-etic dilemma that has plagued international marketing research for decades.

In the empirical section, we demonstrated the procedure on the susceptibility to normative influence construct. There is a resurgent interest in social influences on consumer decision making. When making product choices, consumers are frequently influenced by preferences of others, such as family members, friends, neighbors, and so on. The dominant measure for consumers' susceptibility to normative influences (SNI) is the unidimensional, 8-item scale developed by Bearden and colleagues. It measures the predisposition to being influenced by others when making purchase decisions. This scale has been used successfully to study social influences on various aspects of consumer behavior such as attitudes toward brands and advertising, consumer confidence, protective self-presentation efforts, purchase of new products, consumer boycotts. Our dataset contained 28 countries across 4 continents. We developed cross-national SNI scales for each country. The results indicated that different items were selected in different countries, and that scale length indeed varied across nations. In other words, an item is differentially useful to measure latent constructs and some countries require more items than others to obtain a certain acceptable precision for the latent construct.

# A Test of the Validity of Hofstede's Cultural Framework

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## EXTENDED ABSTRACT

This paper examines the validity of Hofstede's (1980) cultural framework when applied at the individual unit of analysis. Although other researchers (e.g., Triandis, 1995, Schwartz, 1999; House et al., 2004) have also made substantial contributions to our understanding of culture, it is Hofstede's framework that has provided the theoretical foundation upon which much cross-cultural research has been based. Indeed, it is widely acknowledged that, "Hofstede has inspired a great improvement in the discipline by specifying a theoretical model which serves to coordinate research efforts" (Redding, 1994).

Hofstede's cultural framework has been applied in a wide variety of contexts, across most (if not all) of the behavioral science disciplines. In marketing, Hofstede's cultural framework has been applied in studies of advertising (Alden, Hoyer, and Lee, 1993; Gregory and Munch, 1997; Zandpour et al., 1994), global brand strategies (Roth, 1995), and ethical decision making (Blodgett et al., 2001), and is discussed in numerous textbooks (e.g., Keegan and Green, 2003). Clearly, Hofstede's cultural framework has provided the catalyst for many studies throughout the social sciences, and has helped shape marketing thought.

Given the pervasive influence of Hofstede's work across the academic community, it would be reasonable to assume that the validity of the cultural framework has been fully established. However, despite the many studies that have employed Hofstede's framework, it has not been subjected to rigorous tests of reliability and validity (as per Churchill, 1979 and Schwab, 1980). Indeed, several studies raise concerns about the empirical validity of Hofstede's framework (Kagitcibasi, 1994; Soondergaard, 1994; Bakir et al., 2000).

In order to examine the empirical validity of Hofstede's cultural framework an exploratory study was conducted. Subjects were asked to review Hofstede's original 32-item cultural instrument and to indicate which dimension (power distance, individualism/collectivism, uncertainty avoidance, masculinity/femininity) each particular item was intended to reflect. The percentage of subjects who "correctly" classified a particular item was then calculated in order to provide a measure of "face validity." Subjects were also asked to respond to each item (as in a typical questionnaire), thus indicating their underlying values. This data was then used to compute the reliabilities of the four dimensions; and was factor analyzed to determine whether the various items loaded in a manner that is consistent with Hofstede's framework, thus providing evidence as to discriminant and convergent validity.

The sample (n=157) was drawn from two different populations. One group of respondents consisted of 97 MBA students, all of whom have full-time work experience. Another group consisted of 60 faculty members from the behavioral sciences (marketing, management, psychology, sociology, and communications). Given that faculty in the behavioral sciences typically are well trained in construct development their inclusion provides a strong test of the reliability and validity of Hofstede's framework.

Overall, the 32 items were correctly matched by the subjects to their underlying dimensions only 41.3% of the time, on average (see Table 1). The individualism/collectivism items were correctly classified, on average, 43.1% of the time; the uncertainty avoidance and masculinity/ femininity items were successfully identified 30.4% and 26.0% of the time; and the power distance items were correctly classified by subjects 63.1% of the time. Overall, these rates indicate that most of the items lack face validity.

Cronbach's alpha was then computed for each of the four dimensions. Higher levels of alpha indicate that the various items behave in a consistent manner, and reflect the extent to which the items are measuring the same, underlying construct. Unfortunately, none of the four cultural dimensions appears to be sufficiently reliable. Although individualism/collectivism and masculinity/femininity display moderate levels of reliability (.666 and .651), the reliabilities for uncertainty avoidance (.351) and power distance (.301) do not approach minimally acceptable standards (see Nunnally, 1978).

In order to assess the convergent and discriminant validity of Hofstede's instrument principle components factor analyses were performed. If each of the four dimensions is indeed distinct one would expect to find four factors, with similar items loading together to form a coherent structure. Several different analyses were performed, one with the number of factors constrained to equal four. A coherent factor structure did not emerge. Instead, the results indicated that the cultural framework, when applied at the individual unit of analysis, is lacking in both convergent and discriminant validity.

There is no doubt that the concept of culture is legitimate. The authors commend Hofstede for his pioneering work in this area, and for bringing the concept of culture to the forefront of the various behavioral science disciplines. The issue for marketers, however, is how to best capture this construct and its various dimensions. This study presents evidence that Hofstede's cultural instrument lacks sufficient validity when applied at the individual unit of analysis. This critique is not meant to be overly critical of Hofstede's framework. Instead, it is hoped that these findings will eventually lead to a valid measure that captures the richness of the various cultural dimensions and can be deployed at an individual level. Given the diversity of the world marketplace, it is essential that marketers have a robust measure of culture so that our understanding of consumer behavior can keep pace with a rapidly changing environment, and that the academic discipline can make a meaningful contribution to both theory and practice. With that goal in mind, the authors plan on conducting future studies to assess the reliability and validity of other cultural measures, such as those by Schwartz (1999), Triandis (1995), Maznevski and DiStefano (1995), and the GLOBE instrument developed by House et al. (2004).

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# To Have and to Hold?  Implications of Disposition Tendencies for Consumer Research

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## EXTENDED ABSTRACT

Much of consumer research focuses on the acquisition of products and the various considerations and processes that determine how consumers make acquisition decisions. The three phases of consumption (i.e., acquisition, consumption, and disposition) are typically viewed as sequential, rather than cyclical. However, the impact of one's consumption decisions does not end with disposition. Rather, disposal behaviors may very well influence acquisition behaviors, and our psychological approach to the disposition of goods may not only be indicative of the way in which we form relationships with products and brands, but may also shape these relationships.

This research focuses on what we believe is the cyclical nature of the relationship between acquisition, consumption, and disposition, and specifically on the way in which disposition tendencies influence subsequent acquisition. In order to explore this relationship, we identify a continuum, anchored by consumers we call "packrats" and those we call "purgers," along which consumer disposition behaviors and attitudes differ. Coulter and Ligas (2003) defined packrats and purgers from both a behavioral and psychological perspective. Packrats are consumers who keep things and find it difficult to dispose of things. Purgers, on the other hand, continually take stock of whether items are needed and are typically willing to dispose of them if not needed. We propose that these individual tendencies can greatly impact one's decision making processes and behaviors with respect to product acquisition.

Much of the previous research on disposition has focused on defining what constitutes disposition, exploring secondary markets for the sale of goods that are being disposed, and examining the disposal of favorite or cherished possessions. Less attention has been directed to the question of how consumers decide whether to dispose of goods. We therefore focus our attention on the initial decision to dispose or not dispose and the impact that general tendencies in such disposition decisions have on the three phases of consumption. To our knowledge, apart from Coulter and Ligas' (2003) work using depth interviews to define the concepts of packrats and purgers, no other research has explored individual differences in overall disposition patterns or how these patterns might affect acquisition.

To enhance our understanding of disposition, we first develop, evaluate, and empirically test a disposition tendency measure, which we call the Disposition Tendency or DisT scale. We formally define disposition tendency as an individual's willingness to either retain or relinquish physical possessions. Through a series of four studies, we investigate consumer behaviors that are likely affected by differences in disposition tendencies and provide evidence of the proposed cyclical nature of the consumer acquisition, consumption, and disposition process. The implications of understanding consumers' tendencies to hold onto or dispose of products are vast, including direct implications for theory (e.g., how disposition tendency differences impact consumer decision making), for marketers (e.g., how retail, website, and advertisement layout can best meet consumers' preferences; the impact of increased second-hand product markets), and public policy (e.g., waste, littering, environmentalism, and landfill concerns).

In studies 1 and 2, we develop a five-item measure of disposition tendencies, known as the DisT scale. Validity and reliability of our measure are established through various psychometric tests and comparisons with related constructs. Specifically, we discriminate between DisT and a clinical construct called compulsive hoarding. In addition, we also document and discuss interesting relationships between DisT and frugality, change seeking, self-control, and materialism.

In support of our conceptual model, studies 3 and 4 document the impact of DisT on preferred purchase quantities and price sensitivity, respectively, demonstrating that differences in consumers' tendencies to retain or relinquish their possessions do in fact impact specific acquisition related behaviors and preferences. In study 3, we found support for our hypothesis that packrats prefer to purchase larger sizes. This preference is shown to be a preference for larger sizes in general, and not simply a belief that larger sizes are a better value. As such, this result is consistent with our proposition that just as packrats like to be surrounded by many possessions, they reflect this tendency in acquisition. Specifically, they prefer to purchase larger jars of peanut butter than do purgers, in effect stockpiling peanut butter, thus surrounding themselves with more physical possessions (even of a perishable food item). In study 4, we find that DisT scores had a significant effect on the bargain price consumers would pay for a basket of 13 different consumer products, such that participants with higher scores on the DisT scale (i.e., packrats) reported lower prices. These results support our hypothesis that packrats are generally willing to pay less for consumer goods and services than are their purger counterparts, and suggests that, because packrats tend to acquire more possessions, they are more likely to seek out bargains during acquisition.

Although disposition is certainly the least researched aspect of the consumption process despite numerous calls for researchers to look beyond acquisition and consumption (Holbrook 1987; Jacoby 1978; Wells 1993), we have tried to make a case that it is nonetheless, extremely important in influencing the decisions that consumers make and the considerations that marketers might have as well. Our DisT measure provides a solid foundation for future research on disposition, and our demonstrations of the cyclical nature of disposition on acquisitions provide a unique theoretical contribution that will impact future research.

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# The Role of Uniqueness Motivations in Social Comparison Processes

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## EXTENDED ABSTRACT

Individuals often rely on their own product evaluations to estimate those of others. The implications of such projection processes, wherein the self serves as the standard of comparison, are well explored in extant consumer behavior literature (Ames and Iyengar 2005; Davis, Hoch, and Ragsdale 1986; Hoch 1987, 1988). Less understood, and relatively less examined, is the manner in which individuals incorporate others' product preferences into their own via projection processes that consider others as the comparison referent. For example, consumers estimate the opinions of others to arrive at standards that they chose to comply with (e.g., refraining from purchasing an item they predict their friends will dislike in order to conform to the group) or ignore (e.g., selecting that same item in order to self-differentiate).

The desire to conform or differentiate varies based on an individual's need for uniqueness (NFU), defined as the self-esteem driven need to maintain a sense of at least moderate distinctiveness within one's social milieu (Snyder and Fromkin 1977). In the consumer domain, it has been demonstrated that high NFU individuals have stronger preferences for unique products relative to low NFU individuals (Ames and Iyengar 2005; Tian, Bearden, and Hunter 2001). More complex and less understood, however, is the role of NFU in people's benchmarking of self-other preferences. Prior research has yielded contradictory results regarding the effect of NFU on social projection. On the one hand, research demonstrates that NFU moderates individuals' projection of traits (Kernis 1984); on the other hand, it is perceived similarity, rather than NFU, that moderates the social projection of object preferences (Ames and Iyengar 2005).

The present research builds on theories of uniqueness (Snyder and Fromkin 1977; Tian et al. 2001), self-affirmation (Steele, 1988) and self-other asymmetry (Codol 1987; Hoorens 1995; Mussweiler 2001) to suggest that NFU-related motives are more likely to influence social comparison processes when individuals' sense of self-distinctiveness is not affirmed. Prior research suggests that the reference point for projection is one factor likely to generate such a condition. When the self is the reference point in social comparisons, individuals exhibit a greater tendency to ascribe correspondence between information regarding the self and others compared to instances in which others act as the standard of comparison (Codol 1987; Hoorens 1995; Mussweiler 2001; Srull and Gaelick 1983). This reference-point based asymmetry in social comparison processes has been attributed, in part, to the greater threat to one's sense of distinctiveness posed by comparing oneself to others than by comparing others to oneself (Codol 1987). Such threats to uniqueness are, in turn, typically countered by self-affirmatory processes (Steele 1988; Steele, Spencer and Lynch 1993). Along these lines, research on self-serving social comparisons (Goethals, Messick and Allison 1991; Klein 2001) demonstrates that social comparison estimates tend to be more susceptible to self-enhancement motives when individuals rely on information about others to arrive at judgments about the self (i.e., others as the reference point), compared to instances where information about the self is used to estimate that of others (i.e., self as the reference point).

Based on this, our basic contention is that NFU-related motives are likely to influence social comparison processes when threats to self-perceptions are generated, as is the case when others,

as opposed to the self, serve as the reference point for comparison. Thus, we predict that when the self is the reference point in social comparisons, individuals will project their own product appraisals to those of others, irrespective of their NFU level. When others serve as the reference point, however, we predict that NFU will moderate the projection of others' product appraisals to own appraisals, such that low NFU individuals will project to a greater extent than will high NFU individuals. We investigated these predictions in three studies.

Study 1 exposed participants to an advertisement for a new product and varied the order of their object appraisals. Respondents stated their attitude towards the product either before (i.e., self as the reference point) or after (i.e., others as the reference point) predicting the preferences of others. Our results show that, across NFU level, individuals projected their product evaluations to others; if individuals disliked (liked) the product they estimated a lower (higher) market share. When others were the reference point, however, low NFU individuals projected their estimates of others' product adoption onto their own preferences to a greater extent than did high NFU individuals.

Whereas study 1 asked participants to estimate others' preferences, in study 2 participants were provided with information about the estimated adoption level of the new product. Results replicated those of study 1. Further, while low NFU individuals rated the product more positively when they were provided with a high (vs. low) adoption level estimation, high NFU individuals liked the new product better when the estimated adoption level was low (vs. high).

In study 3 we provided further evidence for our self-affirmatory account of social comparison processes by manipulating and measuring respondents' perceived similarity to others. Specifically, we asked study participants to elaborate, between the tasks of stating their own attitudes and predicting others' preferences, on the ways in which they are different from others. If non-motivational processes drive social comparisons, we would expect the salience of differentness from others to result in a failure to project across NFU level and in both reference point conditions. In line with our proposed account, however, the perceived similarity manipulation impacted social comparison processes differently based on the reference point of the social comparison (i.e., self or others). Specifically, when the self was the reference point both high and low NFU individuals used the differentness made salient by the manipulation to arrive at disparate estimates of adoption level (i.e., not projecting). When others served as the reference point, however, asking respondents to state their differences from others alleviated the reference point-induced threat to self-esteem for high NFU individuals, leading them to project. On the other hand, low NFU individuals, who are threatened by differentness from others, stated their closeness to others by projecting.

In summary, we demonstrate that while both high and low NFU individuals are likely to project their preferences for new products onto others, high NFU individuals are less likely than low NFU individuals to project their estimates of others' preferences onto their own. Moreover, unlike self-anchored projection (Ames and Iyengar 2005), the bases for the moderating effect of NFU on others-anchored projection appear to be motivational; alleviating the projection-induced threat to the high NFU individuals' self-image by having them deliberate on their differentness from others

attenuates the moderating effect of NFU on the projection of product preferences.

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# The Effects of Product Quality and the Perceived Structural Relation Between Functions on the Value Inference of Convergence Products

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## EXTENDED ABSTRACT

These days, strategies for new product development have moved beyond the simple addition of a new feature within an existing product category. In the era of digital convergence, a new function from another product category can also be added to a product (e.g., the addition of an electronic dictionary to a cellular phone). Demand for convergence products combining the disciplines of several application domains has accelerated for the last decade (Schirrmeister and Sangiovanni-Vincentelli 2001). Despite the attractive marketability of convergence products, few studies have focused on how consumers infer the value of products with functions from different product categories. This study examines how consumers infer the value of a new convergence product.

Previous research on new products focused on feature addition. The newly added feature usually enhanced the existing function. One stream of research on new feature addition has considered characteristics of the new feature such as novelty and relevance with an existing product category (Brown and Capenter 2000; Moreau, Lehmann and Markman 2001), while another stream of research has investigated the characteristics of existing features (Mukherjee and Hoyer 2001; Nowlis and Simonson 1996). According to diminishing sensitivity, a new feature adds more value when it is offered by a relatively inferior product than when it is offered by a relatively superior product (Nowlis and Simonson 1996). A new feature is more noticeable when existing features play an inferior role. The Nowlis and Simonson (1996) study says that they extend previous research on diminishing sensitivity because they show that this phenomenon still occurs across features. However, this study points out that a new feature is not truly 'new' if the new feature simply enhances the existing function. What if a new function from another product category is added to a product? Will the diminishing sensitivity phenomenon still occur?

In the first experiment, feature addition is examined in order to show that the diminishing sensitivity phenomenon occurs when a new feature and an existing feature perform the same function. The experimental design has been slightly modified from the previous one. Instead of using monetary terms to measure overall product value, the experiment measured the perceived overall evaluation of the product with a 7 point bipolar scale. The results of the experiment are consistent with the Nowlis and Simonson study (1996). When the new feature enhances an existing function, new feature addition has greater impact on overall product evaluation if the new feature is added to a product with inferior existing features than with superior existing features.

Experiment 2 explores how consumers infer the value of a new function added to a product from another product category. This research investigates a unique aspect of the value inference of multifunctional products: perceived structural relations between functions. The perceived structural relation is formed when consumers infer that a feature enhancing the performance of one function may enhance the performance of other function. The reason that it is 'perceived' structural relations is because this inferred structural relation between functions may simply be the perception of the consumer. When consumers perceive the existence of a relationship between a new function and an existing function, the existing function may not always be the background. In this case, consumers can infer the value of the new function based on the value of the existing function. That is, consumers will infer that the value of a new function is greater when an existing function is superior than when it is inferior. Experiment 2 shows that the impact of the new function will be greater when the existing function is superior than when it is inferior when individuals infer the value of a new function based on a high perceived structural relation with an existing function. However, the new function will contribute to the perceived value of a product more when the existing function is inferior than when it is superior if the new function has a low perceived structural relation with the existing function. This result is consistent with previous studies on diminishing sensitivity.

According to the results of Experiment 2, subjects infer that the performance of the DMB function will be better if it is added to a 5 mega pixel camera phone than if it is added to a 1.3 mega pixel camera phone. They think that an increase in the number of pixels enhances the DMB function (the new function) as well as the camera function (the existing function). Therefore, the addition of the DMB function has a greater impact on the overall product evaluation when it is added to a 5 mega pixel camera phone than when it is added to a 1.3 mega pixel camera phone. However, when the electronic dictionary function is added to a camera phone (the low-perceived-structural-relation condition), subjects perceive the value of the electronic function is greater when it is added to a 1.3 mega pixel camera phone than when it is added to a 5 mega pixel camera phone.

This study contributes to the literature on inferential processes in terms of a new kind of inferential process which is based on the perceived structural relation. This study also contributes to the research on new products since it considers digital convergence products to extend the previous studies on feature addition.

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# Let it Rock: The Effects of Brand Name Placement in Songs on Attitudes toward the Artist and the Brand

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## EXTENDED ABSTRACT

This paper focuses on a specific type of product placement, namely brand placement in song lyrics and particularly on its impact over consumers' attitudes toward the brand and the artist. Three significant factors were identified in the literature and manipulated through two experiments: Congruence of the artist-brand dyad, strength and valence. Whereas the impact of congruence on product placement has been proven (Russell, 2002), the last two elements are novel and explicitly stated as important for future research (Balasubramanian, Karrh and Patwardhan, 2006).

## Congruence

Russell (2002) develops the notion of congruence as a major factor determining audiences' reactions toward product placement. Incongruent information triggers cognitive elaboration and auditors' attention, thus improving the memory of the placement. Whereas congruence enhances realism, incongruent information elicits suspicions about the reasons for the brand appearing in the show; thus triggering unfavourable effects on evaluation. Russell (2002) conceptualizes congruence as the combination of modality (visual / audio) and plot connection (lower / higher). In this research, congruence was conceptualized as the fit or match between the brand and the artist. The first study probes the proposed model in an incongruent artist-brand dyad, and the second study investigates the congruent artist-brand dyad.

## Valence

In general, academic literature suggests that putting forward product advantages rather than disadvantages enhances the attitude toward it, and vice versa when communication for the product is negative (Balasubramanian, 1994). Notwithstanding that several variables are considered to moderate the effects of negative communication on attitudes toward brands (Ahluwalia, Bumkrant, and Unnava, 2000; Till and Shimp, 1998), recent studies proved that, under certain circumstances, negative communication related to products can yield positive cues (Money, Shimp and Sakano, 2006). In addition, in line with Campbell's (1995) attention-getting tactics research, placing positive brand arguments in songs may be perceived as manipulated communication by audiences.

Building on the previous arguments, the hypotheses laid out in this paper suggest that individuals will have more positive attitudes toward artists and brands when the communication valence is negative, compared to less favourable attitudes when the communication valence is positive.

## Strength

The influence of the communication modality will be moderated by the strength of the relationship between the artist and the brand. In the context of product placement in movies or sitcoms, strength is operationalized by fore versus background placement or by visual only versus visual and verbal placements (Russell and Stern, 2006). As this study concerns music songs, strength was implemented by repeating a brand name as to reinforce the association with the artist. Balasubramanian et al. (2006) specifically underlined the importance of "repetition" as an operationalization mode that could have a significant influence on product placement effectiveness. Therefore, the effect of repetition is seen as a cata-

lyser of communication on attitudes, and depends on whether the product is communicated positively or negatively.

## Studies

Two scenario based studies (coherent/incoherent brand-artist dyad) were designed and implemented to test the hypotheses. Eight scenarios were crafted (four scenarios per study); each of them combined the effect of communication valence (positive/negative) and strength (repeated/not repeated). One artist was chosen and remained constant across all eight scenarios. Two brands were chosen to create an incoherent artist-brand dyad (used in study one) and a coherent artist-brand dyad (used in study two). These were chosen while executing several pretests after which the appropriate stimuli were obtained. To avoid likeability, an equally liked / disliked artist and two neutrally liked brands were selected.

The studies were carried-out among a sample of undergraduate students. These were given two booklets presented as unrelated studies belonging to two different researchers. The first booklet was presented as a study on general attitudes concerning celebrities and brands; the second booklet was presented as a study on new trends in the music industry. Respondents were asked to imagine a situation in which they were invited by a music company to listen to new songs from a given artist, in order to assess the new album. It was stipulated in each scenario that the artist mentioned in his lyrics (either in a positive or negative valence) once only or several times (strength) a brand (either incongruent in study one or congruent in study two). Finally, respondents were asked about their attitudes toward the artist and the brand using a five item 7 point Likert scale (Aggarwal, 2004). Several manipulation checks were executed to ascertain the reliability of the manipulations.

Two (incongruent/congruent) 2 X 2 (valence: positive vs. negative; strength: none repeated vs. repeated) between-participant ANCOVAs were performed to measure the effect of treatments over attitudes toward the artist and the brand. The most significant results are:

## Incongruent artist-brand dyad-attitudes toward the artist:

The two-way interaction between valence and strength was significant. A planned contrast revealed that if a brand is communicated negatively and for repeated times, the average attitude toward the artist is more positive compared to the attitude when the brand was communicated positively and for repeated times. In contrast, when a brand is communicated negatively but not repeatedly, no significant difference was reported compared to a brand communicated positively but not repeatedly.

## Incongruent artist-brand dyad-attitudes toward the brand:

The between-participant effect of valence was significant. Participants reported more favorable attitudes toward the brand after the artist mentioned the brand negatively instead of positively. However, the two-way interaction between valence and strength was non significant.

## Congruent artist-brand dyad-attitudes toward the artist:

The between-participant effect of valence was significant. Participants reported more favorable attitudes toward the artist after he mentioned the brand negatively instead of positively. However,

the two-way interaction between valence and strength was non significant.

**Congruent artist-brand dyad-attitudes toward the brand:**

The two-way interaction between valence and strength was significant. A planned contrast revealed that if a brand is communicated negatively and for repeated times, respondents have more positive attitudes toward the brand compared to attitudes when it is communicated positively and for repeated times. No significant difference was observed over the attitude toward the brand when this was not repeated, irrespective of the positive or negative communication modality.

Implications for marketers are considerable, since misused valence can discount individuals' attitudes over brands and artists. Finally, the research proposed several findings which could be worth considering in better law framing, due to the ethical implications that hybrid messages contain.

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# A Friend and/or A Foe?: Exploring Activeness of Objects in Consumption

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## EXTENDED ABSTRACT

The issue of consumer-object relation has received considerable attention in consumer research. Taking Belk's (1988) notion of the extended self as the conceptual foundation, a significant body of work has examined the role of things in self-actualization, constructing social identities and coping with identity change in transition periods (e.g., Price et al 2000; Schouten 1991), as well as feelings of possessiveness, and moral effects of possessions on personality and person's well-being (e.g., Hill 1991; Richins 1994). Another active stream of consumer research explores how consumption objects mediate social relations and the ways consumers use goods to make and maintain social distinctions (e.g., Kates 2002). While this research has generated valuable, rich insights into various facets of person-object relations in consumption contexts, as a generalization, much of this research focuses on symbolic aspect of goods and consumer-object relations; hence objects are often conceived as passive relation-partners, albeit endowed by people with meanings. However, our exploratory study reveals that some people see and interact with various objects as active entities that could enhance or interfere with their everyday life. It is this activeness of objects, how it transpires in and impacts consumption that we seek to explore.

In this research, we draw extensively on the existent research into consumers' relation to things and to animal companions (ibid.; Hirschman 1994; Holbrook et al 2001). In addition, we engage a selection of concepts, debates and ideas on the activeness of things from the world of art, literature and popular science. Thus, we consider the 1920s soviet constructivists' concept of a *socialist thing*–an active partner and co-worker, whose activeness arises primarily from its functionality. The core of the notion is the belief that "thing has an agency that is potentially beneficial to the human subject, which is itself rendered more active and "evolved" through interaction with this thing" (Kiaer 2004, 263). We also draw on works of fiction from the same period in the Soviet history, where such agency of things was celebrated as well as questioned (e.g., Olesha 1923). That literature anticipated the emergence in the 1950s of a controversial idea of *resistentialism*, which rests on the belief that inanimate objects have a natural hostility toward humans; thus, it is things rather than people who increasingly control daily living (Jennings 1948). Finally, our research is informed by more recent academic works that consider activeness of objects, premised on objects' utility among other things. Particularly, emphasizing the importance of the materiality of things and their sensual qualities, Miller (1998) contends that objects are active insofar as they are constituents of social relations. Latour (1992; 1994), to oversimplify greatly, argues against the artificially made distinction between inanimate objects and human subjects, and advocates thinking of things as non-human actors, that carry huge amount of social work.

The notion of things' activeness emerged in the course of in-depth interviews conducted as part of an exploratory study into car ownership practices. As the significance of this notion became apparent, we broadened the scope of the inquiry to include objects other than cars to enhance our understanding of this phenomenon. Such research conduct is consistent with the methodological logic of grounded-theory approach (Goulding 2002). We interviewed 23 consumers about their experiences with active objects in their lives. We followed the guidelines of McCracken's (1988) "long interview," allowing our interviewees to lead the way raising the issues of interest to them as regards the suggested topic. The analysis was iterative; we focused on discerning broader patterns and common themes across the interviews, moving back and forth between the themes and the literature to develop an understanding of the themes (Goulding 2002).

Two thematic constellations of relating to active object emerged in the study, each comprising of a number of practices. The first, objects as companions, refers to seeing and treating a particular object as a partner, which helps a person to cope with the daily challenges. The theme is realized through humanizing tendency, which in turn is enacted in practices naming objects, assigning gender, celebrating their birthdays and constructing their life-histories. Informants report a range of positive experiences resulting from object companionship from emotional support ('makes me smile') to improving the quality of person's life (both through objects' functioning and its aesthetics). The second theme –object as a consumer– relates to the idea that objects place demands on people in terms of skills, knowledge, manner of use but it also relates to people' perception that some objects have needs and desires, feelings and interests. Such view is evident in the practices of buying 'presents' for a pet-object and servicing an object as a way of pleasing it. The positive experiences with the objects companionship depends on the functional performance of the object, and adequacy of the demands it puts on people relative to its performance and centrality of the object in people's everyday life. Overall, the two tentative thematic constellations are deeply intertwined, they become evident and acquire their significance in specific contexts, and importantly they speak of the activeness of things, which appears to emerge in relations, in people's mundane practices and daily experiences with objects.

Conceiving the paper as polemic, we conclude by pointing out three issues that arise from considering the activeness of things. The first has to do with how, if at all, the perceived activeness of an object reflects on consumption patterns. The second concerns the general question of the use of consumption objects and consumption as work, against the background of consumer researchers' focus on acquisition and prevalent interest in symbolic aspects of consumption. The third is the question about the nature of relationships between people and objects, activeness of which arises and depends on both their utility and their aesthetic value. Theoretically, we hope to contribute to an understanding of object-relations that arise from objects' functionality. Practically, by focusing on practices, including both people's doings with things and social work of things, we hope to contribute to the research on sustainable consumption, for, given that sustainability is not just a matter of technical fixes but of social and cultural practices (Shove 2003), a more nuanced understanding of *curating* practices, for example, could help in devising effective strategies to increase the longevity of objects in use, thereby promote sustainable consumption.

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# Tinsel, Trimmings, and Tensions: Consumer Negotiations of a Focal Christmas Artifact

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## EXTENDED ABSTRACT

Ritualistic consumption is defined as the use of goods, services and experiences in expressive, dramatic, symbolic, formal and intense ways, in contexts often repeated over time (Rook, 1985). Scholars consistently demonstrate that consumers find rituals to be financially, socially, and emotionally significant (Belk 1989; Otnes and Lowrey 2004; Sherry 1983; Wallendorf and Arnould 1991). Participating in consumption rituals often involves coordination and planning among nuclear and extended families, and such planning can require weeks, months or even a year or longer. However, little is known about how family members negotiate as they co-create the aesthetic aspects of ritualistic experiences.

This paper explores how family members negotiate as they co-create a key ritual artifact of the Christmas holiday—the Christmas tree. Our interviews with consumers clearly indicate that many consider the tree a key—if not *the* key—ritual artifact during the holiday season. The tree acts as a ritual hub, with important and sensory-laden sub-rituals emanating from it. Since the relationships between members are fluid and constantly renegotiated, co-creation of Christmas tree traditions is fluid within a household as well. Given the integral role of the tree at Christmas, we explore these questions: 1) what tensions pervade consumers' co-creation of the Christmas tree?; and 2) what negotiation strategies do consumers employ when trying to resolve these tensions?

As part of a larger study on consumers' Christmas experiences, we conducted depth interviews with 26 consumers from December 2006 to February 2007. We employed snowball sampling, recruiting informants from among acquaintance networks. Informants ranged in age from 22 to 64, and resided in either the Midwest or the Northeast United States. Interviews ranged from 45 to 75 minutes, were audiotaped and transcribed, and yielded 334 double-spaced pages of text.

In analyzing the text, we sought out emergent themes while engaging in dialectical tacking (Strauss and Corbin, 1998), immersing ourselves in the interdisciplinary literature on Christmas and ritual celebrations to seek out consistencies and/or inconsistencies with our text. In our initial readings we narrowed the findings such that patterns of association and assumption emerged and became clear (McCracken, 1988). Although we did not initially intend to focus on how consumers negotiate the Christmas tree, the quantity and quality of text devoted to the artifact spurred us to narrow our focus. We then narrowed it even more to unpacking the specific tensions that emerge as consumers select, decorate, and display the tree.

We find four distinct pairs of tensions can shape consumers' co-creation of the Christmas tree: aesthetics vs. tradition, family fantasy vs. family reality, authenticity vs. convenience, and $taste_1$ vs. $taste_2$. For each tension, a set of negotiation strategies emerges, although consumers sometimes apply the same strategy to resolve different tensions.

*Aesthetics vs. Tradition.* One function of rituals is to connect consumers of one ritual occasion to other similar events across time (Gillis 1996). One way consumers do so is by retaining and reusing the same ritual artifacts every time they celebrate Christmas. But one difficulty with this behavior is that these sentimental ornaments may not meet consumers' own likely shifting standards of beauty, which are likewise embedded in an increasing valorization of aesthetics as a cultural value (Postrel, 2003). Many informants express ambivalence toward marrying sentimental and aesthetic approaches, and a few adamantly oppose doing so, even when other family members wish to. Those informants who must resolve family tensions between aesthetics and sentimentality when co-creating the Christmas tree employ three strategies: dictate, segregate (same-site), or segregate (multiple-site).

*Family Fantasy vs. Family Reality.* Many informants possess an idealized image of how they want their Christmas tree selection and decoration to proceed. However, the realities of everyday life—including time pressures and changes in their household structure as family members move through the life cycle—means much of the time, their fantasies of co-creating the Christmas tree cannot always be fulfilled. When consumers are not able to enact their ritual fantasies, they often employ three strategies that help them negotiate the tension between ritual fantasy and ritual reality: adhere to an acceptable minimal standard, reserve the sacred, and eliminate the tradition, while mourning the loss in order to resolve the tension..

*Authenticity vs. Convenience.* For many informants, the meaning of an authentic Christmas tree tradition stems from their adherence to two rules. The first—that one must have a Christmas tree, especially if young children are involved in the celebration, is described by Caplow (1982). The second involves the necessity of having a live Christmas tree rather than an artificial variant. But authenticity also requires consumers to retrieve, haul, care for, and clean up after a real tree; thus, many informants often note (with regret) that they have opted for an artificial tree. When informants try to negotiate the tensions arising from the decision to opt for authenticity over convenience, they follow two strategies that we have previously identified–adhere the minimally acceptable standard or eliminate the tradition, while mourning the loss in order to resolve the tension.

*$Taste_1$ vs. $Taste_2$.* The final tension that emerges can stem purely from different established tastes in tree fashions. Not surprisingly, the central role of the tree means some consumers develop very specific ideas as to how they want their trees to appear. Sometimes these preferences are the result of new market offerings—and innovations in trees can result in clashes of aesthetic preferences within a household. When informants try and negotiate the tensions arising from differences in taste, they follow two strategies–joke/tease or use a third party mediator.

We explore the ways in which consumers negotiate the aesthetics of the focal ritual artifact of the Christmas tree. We hope this paper encourages scholars to revisit consumers' understanding of aesthetics as these understandings are negotiated and reconceptualized within their social networks, both during ritual occasions and beyond.

*References available from the authors.*

# Protecting the Portals of Home

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## EXTENDED ABSTRACT

We make many transitions between places, identities, and cultural environments every day—from home to work (Tian and Belk 2005), from one role to another (Ashforth, Kreiner and Fugate 2000), and from the familiar to the strange (Mehta and Belk 1991). Thresholds, the physical barriers between separate bounded states, are often crossed. Both invited and uninvited crossings of these thresholds usually occur at portals, which are points of entry within thresholds. Portals thus represent particularly dangerous places within the dangerous liminal zones of boundaries (Douglas 1966).

Home, one's primary dwelling place—representing "inside", privacy, family, leisure, familiarity, order/structure and sacred—is the antithesis of "outside", public, stranger (Belk 1997); work (Tian and Belk 2005), journey (Case 1996), disorder/anti-structure (Turner 1969) and profane (Belk, Wallendorf and Sherry 1989). Consequently, the home is the ideal context in which to examine the processes by which consumers control access to their selves and their extended (Belk 1988) selves. Two inter-related essential qualities of a home are the provision of privacy and security (Porteous 1976; Smith 1994). This need for privacy and security exists in dialectical tension with the need to invite others into the home for social and other activities (e.g. maintenance and repair). This dialectical tension between the private and public nature of the home (Korosec-Serfaty 1984) is focused on portals. Thus, it is managed by attempting to control others' access to the portals of the home.

Consumer researchers have devoted considerable study to possession attachment—consumers' relationships with psychologically appropriated material objects (Kleine and Baker 2004). Key among these studies is Belk's (1988) study of how consumers can extend themselves by experiencing their selves "through concrete sets of persons, places and things" (Tian and Belk 2005, p.297). Belk (1988) explains that consumers can incorporate a possession into self through controlling or appropriating its use, creating it, knowing it intimately, and by contaminating it. This stream of research has focused on the meaning of possessions, how they are incorporated into self, and how they subsequently serve to define and communicate self-identity, but has not explicitly examined how self-extensions are protected.

Places, spaces that have been given meaning through personal, group or cultural processes, may vary in scale, tangibility, and familiarity (Low and Altman 1992). Conceptualizing a place usually involves a defined physical (e.g. a house) and/or psychological (e.g. a haven) territory. Place attachment is the bonding between person and place that develops over time due to a series of interactions between person and place (Kleine and Baker 2004; Low and Altman 1992). When attached to a place, people often engage in territoriality. Territoriality is the attempt to influence or control actions, interactions or access (of people, things and relationships), by asserting and attempting to enforce control over a specific geographic area (Sack 1983). Territoriality can involve erecting and maintaining physical and/or psychological barriers or boundary markers. Thus, personalization of a space can be as much a territorial marker as a wall. Due to the biological basis of territoriality, environmental psychologists have mostly studied territorial demarcation and reactions to intrusion, leaving its potential to explain attachment and self-expression unfulfilled (Brown 1987).

Consequently, as suggested by Kleine and Baker (2004), the extant consumer research literature on possession attachment and extended self was enriched by the extant environmental psychology literature on place attachment and territoriality, to theoretically frame this research.

As part of a larger study, the author conducted eleven videotaped, unstructured depth interviews to explore the theme of protection of home. The videotaped interviews were transcribed and these 150 pages of single-spaced transcripts, along with the original videos, photographs and fieldnotes formed the data set. Open and axial coding (Spiggle 1994), in conjunction with the relevant consumer research and environmental psychology literature, was used to develop interpretations. The resultant interpretations clarify how consumers protect places, people and possessions within their homes by physically, symbolically and ritually protecting three important portals of the home: the front door, the hearth, and the bed.

Like the Parisians described by Rosselin (1999), all informants controlled access to their front doors with one or more marketer-derived protection devices such as locks, chains, peepholes, intercoms, and security alarms. However, some informants also resorted to more symbolic protective devices such as altars and family photographs to protect the primary entrance to their home. One home, inhabited by three members of a neo-tribe, utilized a carpet that literally (through its pattern) and symbolically (through its provenance) symbolized family/neo-tribe. Many women identify, and become identified with, home in general and the kitchen in particular. Consequently, the male role of defender of the family was expressed in the males' symbolic protection of their wives' hearths using guns, arrows, photographs of ancestors, and mementoes of a former heroic self. The bedroom door was sometimes territorially marked with signage, but even more critical was the defense of the bed, where consumers are at their most vulnerable. This portal was protected by cultural artifacts, reminders of religious blessing and even a magical Princess Bed that repelled "bad people".

This study adds to consumer researchers' understanding of extended self by drawing on territoriality research to explain how self extensions can be protected by drawing on the power of the group. Protective symbols can originate from groups large and small—from organized religion, cultural myths, ancestors, extended family or its post-modern proxy, the neo-tribe. The processes of personalization and accompanying processes of upkeep and maintenance of the home serve to inextricably link the identities of transformer and transformed. The analogy of home décor as clothing for the body of the family (Belk 1988), is extended. Clothing, while serving to convey identity, also can protect the body. Likewise, consumers' attempts to personalize the portals of their home function to mark and protect their territories, protecting those who dwell within. Finally, this study also demonstrates the value that the literature on place attachment can add to our understanding of possession attachment.

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# The "Shaken Self": Product Choice as a Means of Restoring Self-View Confidence

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## EXTENDED ABSTRACT

Consider the following scenario. Pat and Robin, both aspiring marketing academics, are equally confident about their intelligence. Pat and Robin are each asked to write a short essay titled "I am an intelligent person." Unfortunately, Pat recently suffered a fracture in his dominant hand from an accident during a ski trip. He, therefore, uses his non-dominant hand to write the essay; Robin writes the essay with her dominant hand. Later, Pat and Robin are confronted with a choice between two options—subscriptions to either the *Wall Street Journal* or *Sports Illustrated*. Assuming that the subscriptions cost the same, is it possible that Pat and Robin would display systematic shifts in preferences for the choice options as a consequence of writing their respective essays? For instance, is it possible that Pat, who wrote the essay with his non-dominant hand, would be more likely to choose *Wall Street Journal* over *Sports Illustrated*? Although intuition might suggest that the task of writing the essay with one's non-dominant (vs. dominant) hand should not affect subsequent choices, the basic thrust of this article is to suggest otherwise. Specifically, a goal of this paper is to examine the effects of the "shaken self," that is a momentary lapse in self-confidence on subsequent product choices.

Previous research suggests that self-view confidence depends on the availability of stable evidence in support of that self-view, and that a lack of such confidence motivates efforts to restore it either directly (Festinger 1954; Tiedens and Linton 2001) or indirectly (Steele 1988). The purpose of this research is to extend prior work by examining how subtle situational factors can induce lowered confidence in a particular self-view and thereby affect subsequent product choices. Specifically, we posit that seemingly inconsequential actions, such as writing an essay with one's non-dominant hand, can lower self-confidence and lead to self-bolstering product choices. Thus, in the scenario presented earlier, we posit that Pat, writing with his non-dominant hand, would begin to experience uncertainty regarding his intelligence. As a result, Pat would display a strong propensity to systematically choose products (such as the *Wall Street Journal*, the more "intelligent" of the two options) that would help him restore his confidence in his intelligence.

In developing our conceptualization, we propose that subtle situational factors that reduce self-confidence will instigate processes aimed at restoring the self-concept. We argue that this restoration can occur via multiple means, including more direct methods (e.g., purchasing products to restore the specific shaken self-dimension) and more indirect methods (e.g., affirming an unrelated self-value). Once the self-restoration has occurred, individuals make choices similar to those whose self-concept was never shaken in the first place. We tested these notions across a series of three experiments. In these experiments, we relied on a previously validated handwriting procedure (Briñol & Petty, 2003) to subtly reduce self-confidence (or not) and tested the effects across three self-dimensions (being exciting, intelligent, and health-conscious). We predicted that this subtle manipulation would lead participants to choose products affirming the shaken self-confidence dimension, unless they were first provided with a means of restoring the self-concept.

In the first experiment, we tested the core hypothesis that those who wrote about a self-dimension with their non-dominant hands would be more likely than dominant hand participants to choose products consistent with that self-dimension. Specifically, participants in this experiment were instructed to write an essay portraying themselves as being exciting. Some participants were assigned to write the essay with their dominant hands; others were assigned to write the essay with their non-dominant hands. Participants then engaged in a purportedly unrelated task choosing between exciting brands (e.g. Apple) and competent brands (e.g. IBM). Results indicated that compared to participants who wrote about their excitingness with their dominant hand, those who wrote with their non-dominant hand were more likely to choose exciting brands in the final choice task.

In the second experiment, we replicated this basic result in a different self-domain (intelligence) and demonstrated the self-view recovery function of product choice. Specifically, participants in this experiment were instructed to write about their intelligence either with their dominant hand or non-dominant hand. The final choice task was between a fountain pen and a pack of candy. As expected, non-dominant hand participants were more likely to choose the fountain pen (vs. candy) as their study reward. However, this effect was attenuated if non-dominant hand participants were given an opportunity to select self-bolstering products (e.g. a bookstore gift certificate) before the final choice task.

In the third experiment, we replicated the core effect in a third domain (health-consciousness) and showed that indirect means of self-bolstering (i.e., self-affirmation) similarly eliminates the effect of the manipulation on choice. We found that compared to participants who wrote about their healthy life habits with their dominant hand, participants who wrote with their non-dominant hand were more likely to choose a healthy snack (an apple) versus a non-healthy snack (M&M's). This effect, however, was attenuated after participants were given the opportunity to reaffirm a most important value in their life before the final choice task.

The findings from three experiments provide support to the hypotheses that subtle situational factors such as writing about one's self-views with one's non-dominant hand can lower self-confidence and increase the propensity to choose self-view bolstering products. Further, these effects on product choices will be attenuated when participants are first provided with the opportunity to bolster the self-concept either directly (through choosing products from sets of self-view bolstering products) or indirectly (through self-affirmation). These results highlight the importance of the self-concept and self-view confidence for product choice and illustrate the role of product choices in maintaining stable self-views. We discuss the implications of our findings and present several directions for future research.

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# Flattery and Persuasion: A Dual Attitudes Perspective

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## EXTENDED ABSTRACT

Several studies have shown that the target of flattery evaluates the flatterer positively, because people have a basic desire to believe good things about themselves (e.g., Vonk 2002). Recent research, however, suggests a caveat. Namely, when people are aware of an ulterior motive (e.g., the consumer who suspects that a salesperson is offering a compliment just to close the sale), they discount the flattery and correct their otherwise favorable opinions (e.g., Campbell and Kirmani 2000; Main, Dahl and Darke 2007).

The current research offers some new insights into flattery and its consequences. In particular, we use the dual attitudes perspective (Wilson, Lindsey and Schooler 2000) to show that even when the target of flattery perceives an ulterior motive and corrects for it, the original positive reaction (the implicit attitude) co-exists with, rather than being replaced by, the discounted evaluation (the explicit attitude). The implicit attitude, which takes the form of a relatively automatic reaction, is then likely to be manifested upon subsequent exposure to the source of flattery if capacity is constrained at the point of measurement; otherwise, it is the explicit evaluation that is reported.

Second, we draw on the attitude strength literature (e.g., Krosnick and Petty 1995) to show that the implicit attitude, because of its relatively automatic activation, is more likely to persist over time and also resist negative information, compared to the explicit attitude. The implicit effects of flattery, therefore, can be particularly insidious. A third goal of our research is to establish theoretically-derived boundary conditions for the posited discrepancy between the implicit and explicit attitudes produced by flattery, in order to illuminate the processes underlying this discrepancy.

Four experiments were run to test our hypotheses. Experiment 1A used a simple one factor between-subjects design (Implicit vs. Explicit attitudes measure) to examine the basic thesis that flattery induces two distinct attitudes. Participants were asked to imagine they had received a leaflet from a new department store; the leaflet contained some store details and an invitation to visit, along with fulsome compliments on the participants' fashion sense. The key dependent measures, administered on a computer, comprised a set of items assessing store evaluations. Responses were collected under either time-constrained (5 seconds per item; implicit measure) or unconstrained conditions (unlimited time; explicit measure). The predicted difference was observed between the two attitude measures ($M_{implicit}$=5.71, $M_{explicit}$= 5.02, $F(1, 53)$=4.03, $p$<.05). Also of interest, a delayed behavioral intention measure (likelihood of visiting the store) which was collected three days after the main study, was correlated more strongly with the implicit attitude than the explicit attitude ($r_{implicit}$=.75, $r_{explicit}$=.14, $F$=4.10, $p$<.05). A follow-up study, Experiment 1B, was run to replicate these findings using within-subjects measurement. A similar procedure was used as before, except that all participants were asked to provide evaluations under *both* time-constrained (implicit attitudes) and time-unconstrained conditions (explicit attitudes). The order of these two measurements was counterbalanced, and the ordering had no influence on the results. Reassuringly, as with the between-subjects method used in Experiment 1A, results again revealed that the implicit attitude resulting from flattery ($M$=5.06) was higher than the explicit attitude ($M$=4.33; $F(1, 64)$=17.14, $p$<.001). Further, this study obtained convergent evidence regarding the greater predictive validity of implicit attitudes: a lower

difference score–and thus, greater similarity–was observed between a delayed attitudinal measure and the implicit initial attitude ($M_{diff}$=-.14) vs. the explicit initial attitude ($M_{diff}$=0.59, $F(1, 64)$=14.89, $p$<.001).

Experiment 2 used a 3 (Flattery condition: store-noncontingent vs. unrelated-noncontingent vs. store-contingent) X 2 (Measures of store attitudes: explicit vs. implicit) design to provide further insights into these findings. In this study, the flattering comments were couched as positive feedback on a personality survey undertaken by participants. Participants in the non-contingent (contingent) conditions were made to believe that the feedback was insincere (sincere)–i.e., non-contingent (contingent) on their actual responses on the survey. Further, in the two "store" conditions, the flattery emanated from the store which was evaluated later; in the "unrelated" condition, the feedback source was the marketing department of the university–this can therefore be viewed as a no-flattery condition from the store's perspective. Store evaluations were obtained under either time-constrained or unconstrained conditions. As expected, results in the store-noncontingent condition replicated our earlier findings ($M_{explicit}$=4.41; $M_{implicit}$=5.44, $F(1, 100)$=9.46, $p$<.01). However, in the unrelated-noncontingent case, since the feedback came from a different source, no difference was expected or found for implicit vs. explicit judgments of the store ($M_{explicit}$=4.31; $M_{implicit}$=4.52; $F$<1, $ns$), ruling out a simple mood-based explanation of our earlier findings. Also of interest, comparisons with this baseline condition showed that non-contingent flattery by the store exerts its effect by raising implicit attitudes ($M_{store-flattery}$=5.44, $M_{department-flattery}$=4.52, $F(1,100)$=6.56, $p$<.05), not by lowering explicit judgments ($M$'s: 4.41 vs. 4.31, $F$<1). Finally, we expected no difference between explicit and implicit attitudes when the feedback by the store was perceived to be genuine (contingent condition), since participants should no longer discount the flattery in their explicit judgments. Results supported this view ($M_{explicit}$=5.10; $M_{implicit}$=5.22; $F$<1).

Experiment 3 used a 2 (Self-esteem: self-affirmation vs. threat) x 2 (Measures: explicit vs. implicit) design to identify another boundary condition for the discrepancy between the implicit and explicit attitudes induced by flattery. In the affirmation (threat) condition, participants wrote about a positive (negative) attribute of their own, before being exposed to the same flattery manipulation and dependent variables as in Experiment 1. Since the favorable implicit attitude is caused by a desire for self-enhancement, we expected that this effect would be diminished if participants were already feeling enhanced before exposure to flattery– i.e., in the affirmation condition. In accordance, while the threat condition produced the prior pattern of discrepancy ($M_{explicit}$=4.32; $M_{implicit}$=5.14; $F(1, 101)$=5.66, $p$<.05), this was no longer observed in the self-affirmation condition ($M_{explicit}$=4.41; $M_{implicit}$=4.19; $F$<1). Finally, this study also included a measure of resistance to negative information. After initial attitude measurement, all participants were exposed to negative information about the department store; attitudes were then measured again either implicitly or explicitly. Across conditions, the difference between initial and post-attack attitudes was lower–i.e., resistance was higher–for implicit vs. explicit attitudes ($M_{implicit}$=.07; $M_{explicit}$=.61; $F$=4.09, $p$<.05).

Taken together, results from our studies provide new insights as to the dual attitudes produced by flattery, and also shed light on

the underlying mechanism by documenting informative boundary conditions for the duality. Finally, this research contributes to the dual attitude literature (and simultaneously documents the potentially insidious effects of flattery) by showing that the implicit attitude can have more far-ranging impact than the explicit attitude.

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# The Roles of Product Characteristics and Framing Effects in the Effectiveness of Cause-Related Marketing

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## EXTENDED ABSTRACT

Cause-related marketing (CRM) has become a major corporate philanthropic trend to donate money to a charity each time a consumer makes a purchase. CRM has been widely accepted as an effective marketing tool in terms of enhancing consumer perceptions of the long-term image of the sponsoring firm (Ross, Patterson, and Stutts, 1992; Berger, Cunningham, and Kozinets, 1999; Brown and Dacin, 1997; Bronn and Vrioni, 2001; Gupta and Pirsch, 2006) and boosting short-term sales (Varadarajan and Menon, 1988; Strahilevitz and Myers, 1998; Strahilevitz, 1999). Because of the increased use of charity-linked promotions in the marketplace, recent studies have begun to examine potential factors that might affect the CRM effectiveness and how consumers respond to CRM (e.g., Strahilevitz and Myers, 1998; Strahilevitz, 1999; Webb and Mohr, 1999; Hamlin and Wilson, 2004; Subrahmanyan, 2004). The objective of present study is to investigate potential influences associated with donation framing, product price, product type, and donation magnitude on CRM effectiveness (i.e., the effectiveness of using promised donations to charity as purchase incentives) in *advertising* contexts.

The experiment tested the relative effectiveness of ad messages to promote products on CRM in a 2 (donation framing: absolute dollar value vs. relative percentage of a sale price) X 2 (product price: low vs. high) X 2 (product type: frivolous vs. practical) X 2 (donation magnitude: low vs. high) mixed design. Product type and donation framing were selected to be between-subjects variables, and product price and donation/cash discount magnitude were operationalized as within-subjects variables. Participants consisted of 240 part-time undergraduate students (103 males, 136 females, and 1 who failed to identify sex) from seven evening courses across a variety of disciplines (i.e., language-related, business, engineering, humanity, and law school) at four large universities in Taiwan. Participants were randomly assigned to one of the four experimental conditions above. In order to eliminate the effects of product-selection bias, two products were chosen for each product type (frivolous vs. practical) based on a pre-test. In each experimental condition, eight scenarios were developed with order counterbalanced, varying from two products with two price levels and two donation/cash discount magnitudes. The participants had to choose one preferred option out of two alternatives (i.e., donation vs. cash discount) in each scenario.

Analysis of variance (ANOVA) was used to test interrelationships among the researched variables. Although previous studies (Strahilevitz and Myers, 1998; Strahilevitz, 1999; Subrahmanyan, 2004) suggest that product type and donation magnitude determine the effectiveness of product-charity bundles, the present study raises concerns over possible ineffectiveness of CRM when bundled with products of certain types (i.e., frivolous products) and when offered at certain donation magnitudes in cause-related advertising. Three observations regarding the CRM effectiveness are noteworthy. First, as is predicted, the results indicate that consumers may be more likely to choose a product offering a donation over the other providing an equivalent discount with a coupon subject to donation framing method and price level. The beneficial effects of product type on CRM may only occur when donation information is framed in absolute dollar terms or

when the product has a lower price. Strahilevitz's results (1999) are held for the conditions of donation framed in absolute dollars, but not for those conditions of donation presented in relative percentage of a sale price. Furthermore, there is no support for the role of product type either in the three-way interaction with product price and donation magnitude or in the three-way interaction with donation framing and product price. This suggests that the effects of product type decrease when both product price and donation magnitude are considered and framed in the ad.

Second, effects of donation magnitude can be conditional on CRM effectiveness. Consumers appear to accept a product with a cause more easily when the magnitude is lower than when it is higher. This finding may be counter-intuitive in that one might expect doing more good may lead to more purchases. When consumers face a large trade-off between charity motive and economic self-interest, they seem to prefer something directly beneficial to them, which may explain why a discount would be a more tempting and attractive option than a donation to a charity. Nevertheless, when the donation/discount magnitude is low, an absolute dollar amount could enhance CRM effectiveness, perhaps due to the tiny and relatively painless degree of monetary sacrifice. The obvious objectives of marketers are to communicate superior deal value to consumers and accelerate their purchase decisions in a CRM context, and an interesting aspect of this strategy is that marketers stand to gain not just by changing the donation magnitude of advertising package but by introducing appropriate "framing" of their offered products such that they enhance consumers' likelihood to purchase a cause-related item. Investigating impacts of donation framing is an important marketing and public policy issue because both presentation formats of donation amount in absolute dollars and relative frequency are commonly used as good-faith attempts to express the amount being donated. However, they may not be equivalent with respect to their ability to enhance CRM effectiveness. There is a reason to believe that the percentage-of-price format can be more problematic and ambiguous than the absolute-dollar format since a percentage of a sale price requires a consumer to calculate the actual donation value in a mathematical step, thus increasing the complexity of the task and the comprehension. All these might reduce the advantages of CRM.

Third, the effects of product price and donation magnitude cannot be ignored. Effects of donation magnitude on CRM effectiveness could be contingent on product price levels. Although consumers may say that they would support charitable donation, many of them are not actually willing to share the costs and the responsibility of supporting the causes through their purchases. One explanation could be that at the lower product price, the amount stated as being contributed to charity is also low and hence perceived as a small request. A clear conclusion can be made that the appropriate CRM should rely on a harmless and tiny commitment through lower priced items with lower donation magnitudes. Either one of the two opposite conditions would eliminate CRM effectiveness.

This article has theoretical and practical contributions to CRM, consumer purchase decision-making, and marketing practice. Marketers of CRM should also decide how to present a donation amount appropriately. How the price effects of a pro-

moted product interacts with product type and donation magnitude offer further useful implications for marketers who seek to optimize the effectiveness of cause-related campaigns

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# The Role of Mortality Salience in Consumer Persuasion

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## EXTENDED ABSTRACT

One of humans' most basic instincts is the drive toward self-preservation. According to Terror Management Theory (TMT; Greenberg, Pyszczynski, and Solomon, 1986), this instinct, coupled with the knowledge of inevitable death, leads people to counter their fear of death by creating and maintaining a cultural worldview, which gives meaning and order to the world. In line with this idea, laboratory research has shown that reminders of death lead to more favorable evaluations of people who personify cultural values and to more negative evaluations of people who defy those values (e.g., see Greenberg, Solomon, and Pyszczynski, 1997; for a review).

Recent research conducted in the consumer domain has suggested that mortality salience (MS) can play an important role in polarizing consumer judgments (e.g., see Arndt, Solomon, Kasser, and Sheldon, 2004; Ferraro, Shiv, and Bettman, 2005). For example, Mandel and Heine (1999) showed that high-status products (e.g., a Lexus automobile, and a Rolex watch) are evaluated *more favorably* by consumers who were subtly reminded of their own impending mortality than by control participants. In contrast, low-status and low-status products and brands (e.g., a Chevrolet Metro automobile, and Pringles potato chips) were rated slightly less favourably by MS participants than by their control counterparts. The authors argued that MS participants were more interested in purchasing high-status products than control participants because these products make them feel more valuable within the culture.

The present research examines why MS might lead to such polarized judgments. Based on the self-validation hypothesis (Petty, Briñol, and Tormala, 2002), which states that thoughts held with greater confidence are more impactful in consumer judgments (Briñol, Petty, and Tormala 2004), we argue that MS can influence judgments by affecting the confidence with which consumers hold their thoughts. Thus, we test self-validation as a metacognitive mechanism through which MS influences judgments (see, e.g., Alba and Hutchinson, 2000; Petty, Briñol, Tormala, and Wegener, 2007; for a review in metacognition).

Specifically, we predicted that MS will increase the confidence with which people hold their cognitive responses, and the increased thought confidence, in turn, will lead to attitude polarization, a typical effect in MS research. We expected to show the typical polarization effect for MS, with the novel prediction that MS-induced polarization occurs via self-validation. This finding would be important because it would introduce an additional antecedent for self-validation effects, and suggest a mechanism for MS effects in consumer persuasion.

### Experiment 1

One hundred and thirty-two participants were first exposed to a printed vita of a job candidate containing either strong or weak attributes in support of the candidate. Attribute cogency was varied in this study to lead participants to generate mostly positive or negative thoughts toward the job candidate. After participants read the vita and wrote their cognitive responses about it, MS was experimentally manipulated. Participants were asked to write about dying in a terrorist attack (MS condition) or to write about being cold (control condition). Finally, all participants reported their attitudes toward the candidate.

In line with the self-validation hypothesis, we found that the effect of attribute cogency on attitudes toward the job candidate was greater under the MS condition rather than control condition. Thus, MS participants relied on their thoughts in forming attitudes, but control participants did not use their thoughts to judge the candidate.

### Experiment 2

Experiment 2 aimed to replicate the previous findings using a more conventional MS induction. In this experiment, one hundred and sixty participants received the same attribute cogency manipulation used in Experiment 1 in order to manipulate the direction of participants' thoughts. After listing their thoughts about the candidate, we induced MS by asking participants to describe what they thought will happen when they die, or to write about being cold (control).

We replicated the effects of Experiment 1 showing more attribute cogency effects for MS than control participants. Importantly, combining the data from Experiments 1 and 2, we established that the mortality salience effects on attitudes were mediated by thought confidence.

### Experiment 3

Experiment 3 examined whether the effects obtained so far could be generalized to important worldviews such as about one's country. Furthermore, Experiment 3 examined whether extent of elaboration, which has been found in past research to moderate self-validation effects (Petty et. al., 2002), also moderates the effects of mortality salience on attitudes.

Seventy undergraduate students from a public university in Spain were first exposed to a message written by a foreign exchange student arguing either in favor of or against Spain. After participants read the pro- or anti-Spain message and wrote their thoughts about it, they were asked to write about their own death (MS condition) or about felling anxiety toward exams (control group). Following the MS manipulation, all participants reported the confidence they had in the thoughts they wrote about that message, and also reported their attitudes toward the exchange student who wrote the essay. Finally, participants completed a self-report elaboration measure.

As predicted, the confidence induced by the MS manipulation led those participants to use their thoughts more when judging the source of the message than control participants. In line with the self-validation hypothesis, the effects of MS on attitudes were mediated by changes in thought-confidence. Importantly, this finding occurred only among participants who reported greater elaboration.

### Discussion

Across different manipulations of all the variables, we predicted and found that MS can influence attitude change by increasing the confidence with which consumers hold their own thoughts. As in past research, MS led to attitude polarization in impression formation toward a job candidate (Experiments 1 and 2) and toward the source of an essay about one's country (Experiment 3). Of most importance, we demonstrated for the first time that the effects of MS on judgment can be mediated by changes in thought confidence.

Furthermore, in accord with the self-validation hypothesis, thought confidence induced by MS influenced attitudes only among high elaboration individuals. Taken together, these findings are important because they provide an entirely unexplored mechanism for MS effects that may also apply in consumer persuasion.

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# The Impact of Goal Framing on the Choose–Reject Discrepancy

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## EXTENDED ABSTRACT

Consumers often make decisions about options that go with a base product configuration, such as deciding whether to purchase "wireless card" connectivity when buying a computer. In this regard, researchers have examined whether the task of adding options to a base model (choosing) versus removing options from a fully loaded model (rejecting) affects the composition of the final configuration (Levin, et al. 2002; Park, Jun, and MacInnis 2000). Research suggests that choosing versus rejecting, i.e., *task framing*, is of consequence; choosing typically results in a smaller final configuration than rejecting (Huber, Neale, and Northcraft 1987; Park, et al. 2000; Yaniv and Schul 1997). We refer to this as the *choose–reject discrepancy (CRD)*.

In this research, we argue that it is possible to take advantage of the information processing differences between choosing and rejecting to modify/reverse the CRD; sometimes, choosing options will lead to larger option sets relative to rejecting. Several studies indicate that choosing is more motivating than rejecting, and that people are more willing to commit the necessary resources and time to complete a choose than a reject task. For example, researchers find that people employ a stricter decision-criterion when choosing relative to rejecting (Huber et al. 1987; Yaaniv and Schul 1997). Other researchers (Ganzach 1995; Wedell 1997) argue that decision-makers see the task of choosing as more important because they feel greater need to justify their choices compared to rejecting, "In a sense, rejection is a passive form of expressing preferences. Because one makes a positive statement in the choice task about which alternative is preferred, one may feel a greater need to justify preferences (p. 883)."

In light of the above-mentioned research, we argue that people will be more motivated and willing to commit the needed cognitive resources and time to execute the choose task compared to the reject task. This difference in processing motivation can be leveraged to reverse the choose–reject discrepancy through positive or negative goal framing; positive goal frames stress gained realized by action whereas negative goal frames emphasize gains given up by inaction.

The question of whether framing effects interact with the level of processing motivation has been examined in a variety of domains including decision-making, health communication, and marketing (Meyerowitz and Chaiken 1987; Rothman et al. 1993; Wegener, Petty, and Klein 1994). Meyerowitz and Chaiken (1987) find that decision-makers are more persuaded by negatively-framed messages because of higher motivation. Also, Chaiken (1980) and Petty and Cacioppo (1986) suggest that under low motivation, people will not scrutinize the entire message and will be persuaded by the valence of the message. Thus, positively-valenced messages should be more persuasive under low (rather than high) motivation. Along similar lines, Maheswaran and Meyers-Levy (1990) suggest that positive (negative) information is differentially compelling under low (high) motivation. Overall, this literature implies that negatively-framed information is given greater weight when the processing motivation is high and positively framed information receives greater weight when the processing motivation is low.

If positive frames are over-weighted under low, rather than high processing motivation, then they should be more effective under rejecting relative to choosing. Thus, in the context of choosing or rejecting product options, describing the benefits achieved by not rejecting options (reject–positive frame) should be more compelling than describing the benefits achieved by choosing options (choose–positive frame). Hence, the number of options in the final configuration, and the monetary value thereof, will be greater in the reject-positive condition than in the choose-positive condition. This replicates the choose–reject discrepancy. However, for negatively-framed information, the reverse should be true. Describing the benefits given up by not-choosing (choose–negative frame) should be more compelling than emphasizing the benefits given up by rejecting (reject–negative frame). This is our principal choice prediction. To investigate the above prediction, we juxtapose task framing with goal framing.

In study 1 we examine whether choosing is indeed more motivating than rejecting. One way to establish greater motivation and willingness to commit cognitive resources to the task at hand is to examine the effect of a secondary, orthogonal resource-depleting task on the decision-maker's ability to focus on the principal task of choosing versus rejecting. If the primary task is inherently motivating and people are willing to commit the necessary resources to the task at hand, increasing resource depletion via a secondary task will have a smaller impact on one's ability to maintain focus on the primary task. The results from study 1 indicated that resource depletion affects task focus only under the reject frame but not under the choose frame, which comports with the idea that processing motivation may be higher under choosing. We also observed that the task of choosing took more time than rejecting. Since choosing takes more time than rejecting, it corroborates the idea that choosing is more motivating than rejecting.

The results from study 2 support the principal choice prediction. Under positive goal framing, rejecting led to an increase in the number and value of the options in the final configuration than choosing, replicating previous results. However, under negative goal framing, choosing led to a higher number and greater value of the options, reversing the traditionally observed–choose reject discrepancy.

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# When Regulatory Fit Does Not 'Feel Right': The Inhibiting Effect of Contextually Dominant Decision Strategies

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## EXTENDED ABSTRACT

Consumers use a variety of strategies to form judgments and make decisions. For example, When choosing between two alternatives, they may select the most attractive one or reject the most unattractive one (Shafir 1993). When forming preferences among several brands, they may compare them on specific attributes or rely on overall evaluations of each brand (Mantel and Kardes 1999). The strategies that consumers use often depend on their motivational orientations, but they also interact with those orientations to influence the value of decision outcomes. Regulatory fit theory (Higgins 2000) maintains that when people use decision strategies that sustain versus disrupt their current motivational orientation, they feel right about what they are doing. This, in turn, leads them to value of the decision process more (Freitas and Higgins 2002) and feel more confident about their subsequent reactions toward the decision outcome, which can increase the extremity of these reactions and even the monetary value of a chosen option (Avnet and Higgins 2006, Cesario, Grant, and Higgins 2004, Higgins et al. 2003).

We propose that the presence of contextual fit, which results from a strong association between a particular decision context and a particular decision strategy, can inhibit the effects of regulatory fit on the valuation of both the process and the outcome. We presented evidence from two studies in support of our hypothesis. In the first study, we used a selection/elimination decision paradigm and found significant regulatory fit effects (selection is compatible with a promotion focus, whereas elimination is compatible with a prevention focus) on task enjoyment and satisfaction with choices when the task required the expression of a personal judgment. These effects, however, disappeared when the choice task had a single right answer. Past research (Heller et al. 2002, Kim and Goetz 1993), and our own pretest suggest that elimination is a naturally dominant strategy when choosing among options with a single right answer, but not among options requiring personal judgment. We reasoned that using a decision strategy that is inconsistent with the contextually-prescribed strategy may inhibit the feeling right experience usually associated with regulatory fit. When regulatory fit does not lead to feeling right, it can neither increase the process value nor the extremity of postdecisional reactions to a decision outcome.

In the second study, we used a different choice paradigm based on attribute-based versus attitude-based processing. We manipulated contextual fit by having respondents practice using a particular strategy prior to the focal choice task. We also manipulated regulatory fit (attribute-based processing matches a prevention focus, whereas attitude-based processing matches a promotion focus) and tested the moderating influence of contextual fit on the relationship between regulatory fit and the amount of money respondents were willing to pay to acquire their chosen product. We found that regulatory fit increased the monetary value of a decision outcome when the decision context did not evoke the use of a contextually-dominant strategy. In the latter case, however, monetary value was highest when the contextually-dominant strategy was adopted regardless of regulatory focus.

Our findings add to the current knowledge on regulatory fit effects by identifying an important boundary condition. However, the exact mechanisms underlying these findings are still unclear.

Lee and Aaker (2004) suggest that processing fluency may be at the basis of the feeling right experience resulting from regulatory fit. It is possible that a regulatory fitting strategy that is inconsistent with the contextually-dominant strategy loses its processing fluency and thus does not produce a feeling right experience. Clearly, future research needs to test this and other alternative explanations to gain a better understanding of the mechanisms underlying the observed effects.

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# When Do Consumers Prefer More Choice? Moderating Effects of Regulatory Focus

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## EXTENDED ABSTRACT

While it is clear that a large assortment has many benefits for both consumers and retailers, recent research has proposed that providing consumers with vast number of alternatives to choose from may be a mixed blessing (Schwartz et al. 2002), potentially leading to a less compelling choice experience or to a less satisfactory outcome. Iyengar and Lepper (2000) report interesting results to this effect. In their field experiment, participating shoppers were 10 times more likely to buy a jar of jam when six varieties were on display as compared to 24. Wathieu et al. (2002) further argue that restricting a consumer's choice set to fewer alternatives makes it easier to make a decision and leads to greater satisfaction with the decision after the fact. The main problem consumers have with an extensive array of options in the pre-decision stage is the confusion that too many alternatives can cause.

In this paper, we present an alternative explanation for when assortment size leads to greater satisfaction with the chosen alternative. We propose that the impact of assortment size on choice is moderated by regulatory focus. Regulatory focus theory identifies two distinct motivational systems: promotions and prevention focus (Higgins 1997, 1998). Promotion focus relates to higher level concerns with accomplishment and advancement and the presence or absence of gains. Consumers with promotion focus aim to ensure hits and avoid errors of omission or misses (missing an opportunity for improvement), whereas, prevention focus relates to greater concern with safety and fulfillment of responsibilities and the presence or absence of losses. Consumers with prevention focus aim to ensure correct rejections and to avoid errors of commission (making a wrong decision). More risky, less conservative, less cautious strategies are expected in a promotion focus than in a prevention focus (Liberman et al. 2001). We argue that if the choice is approached with a promotion focus, consumers concentrate on identifying the best alternative and prefer a larger assortment as it will translate into more hits. Conversely, a prevention-focused individual concentrates on avoiding regret and stops at the choice that meets his/her requirements and, therefore, will find it easier to process a small assortment.

The purpose of this paper is twofold: (1) To investigate whether regulatory focus moderates the relationship between assortment size and consumers' evaluation of the choice task and the chosen alternative, and (2) to investigate whether the nature of the relationship between assortment size and consumers' evaluation of the choice task and the chosen alternative is nonlinear.

First, we propose that consumers' regulatory focus moderates the relationship between assortment size and consumer reactions (Crowe and Higgins, 1997; Higgins, Shah, and Friedman, 1997). Under prevention focus, comparing many options increases the difficulty of making correct rejections, whereas under promotion focus, the priority is to have as many hits as possible, so large assortments can serve this purpose better. In particular, we propose that consumers with a promotion focus have a more positive experience with the choice task and will be more satisfied with their chosen alternative when faced with a large assortment size compared to a small assortment size. However, consumers with a prevention focus have a more negative choice experience and less satisfaction with their choice when choosing from a large vs. small assortment size. Second, we investigate whether the relationship between assortment size and consumer reactions is non-linear (i.e.,

an inverted-U shape). Although consumers may enjoy large assortment size, the complexity of the choice task becomes overwhelming as assortment size increases, resulting in more negative consumer experiences.

In Study 1 (n=296), we manipulate regulatory focus and assortment size in a lab experiment and measure participants' evaluation of the choice task and the chosen alternative. Pretest 1 (n=67) conducted prior to Study 1 was used to select product categories that are equally promotion and prevention oriented to allow manipulation of regulatory focus using a thought-listing task. Three equally promotion and prevention oriented products were selected ($p>.20$). In pretest 2 (n=42), the effectiveness of the thought listing task in manipulating regulatory focus was tested. The results indicate that the manipulation was successful ($p<.05$). Overall, Study 1 results indicate a significant interaction of regulatory focus on evaluation of the chosen alternative and the choice experience ($p<.05$). In addition, we find a nonlinear relationship between assortment size and evaluation of the chosen alternative and the choice task ($p<.05$). The inverted-U relationship holds primarily for the promotion focus participants.

Study 2 was a field study involving 203 shoppers at a large North American city. Different from Study 1, Study 2 was conducted in a naturalistic shopping environment, allowed consumption of the chosen alternative, and closely tied the participation incentive to the choice task. We also measured chronic regulatory focus using the Regulatory Focus Questionnaire. Consistent with our predictions, prevention focus individuals find their chosen alternative more attractive compared to promotion focus individuals when they choose among limited assortment set. This effect is reversed when choosing from an extensive alternative set.

Overall, our findings provide partial support for our predictions, and present an interesting contrast to predictions in extant research. Understanding of the moderating role of goals on the relationship between assortment size and consumers' evaluation of the choice task and the chosen alternative demands further research and this paper takes an important step in that direction.

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# Bystanders Don't Just Stand By: The Influence of Social Presence on Service Experience

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## EXTENDED ABSTRACT

Remaining competitive in today's rapidly changing service industry requires continuous improvement of customer service. Despite the renewed importance of service satisfaction, this subject matter has been approached mostly by examining comparatively stable individual factors that influence satisfaction (e.g., expectation, Oliver 1997; product expertise, Alden, Hoa and Bhawuk 2004). The more transient and malleable situational cues (e.g., social presence) have received limited attention. Seeking to bridge these gaps, we have conducted two experiments in China and the United States to: 1) evaluate the impact of social presence during positive as well as negative service encounters, 2) test for ways that culture moderates the hypothesized social presence effects, and 3) establish a new nomological net that features social presence and its moderators as antecedents to service satisfaction and behavioral intentions.

Customer service satisfaction primarily refers to affective responses to service encounters, with an emphasis on experience- and transaction-specific encounters (Schneider and White 2004). Generally the experience of positive (negative) emotions has been found to increase (decrease) customer satisfaction (Menon and Dube 2000; Oliver 1996). Social presence has been linked to several other constructs including the experience of positive and negative emotions. Webster *et al*. (2003) found that publicizing academic success in the presence of peers enhanced college students' feelings of pride. These results suggested that including social presence as a moderating factor related primarily to emotional experiences in service consumption settings might enhance the theoretical richness of the customer satisfaction model. Finally, as the impact of social presence originates from the need for social approval and acceptance with the intention to protect social image (Costa *et al*. 2001; Goffman 1967), it has clear cultural linkages.

## Study 1

Study 1 aimed at testing the overall moderating impact of social presence on positive and negative emotional experiences in a service setting. Cultural strengthening/weakening of those effects was also tested. It was hypothesized that social presence will enhance satisfaction when the valence of emotion is positive, and reduce satisfaction when the valence of emotion is negative. We also hypothesized that social presence effects for collectivistic (individualistic) consumers will be stronger (weaker).

Two factors were manipulated using different treatment scenarios in a service setting that was very familiar to college students in both countries–a college bookstore. The scenarios featured both textual description and culture-free cartoon illustration. The first factor, service experience, was manipulated by depicting interactions between a service provider and a college-age customer in a polite or rude manner. The second factor, social presence, was manipulated using the cartoon illustrations. In the social presence condition, other customers were depicted in a manner so that it was clear they could overhear the conversation between the service provider and the customer. In the no social presence condition, no other customers were depicted. Therefore, study 1 featured a 2 (service outcomes: positive vs. negative) X 2 (social presence: social presence vs. no social presence) X 2 (cultural value-orientation: collectivist/China vs. individualist/U.S.) between-subject de-sign. Key outcome measures include: satisfaction and behavioral intentions.

The results of study 1 indicated that social presence enhanced satisfaction when the service encounters were positive (M=4.9 versus 4.1, t (93)=1.86, p<.04). However, social presence did not appear to influence service evaluation during negative service encounters. Further, the hypothesized moderating effect of cultural value-orientation was not found.

## Study 2

In study 2, we examined the interaction effects involving the type of social presence and service outcome attribution on service satisfaction and behavioral intentions. To address the "ecological fallacy" issue (Smith 2004), we revisited the effect of cultural value-orientation using an individual-level measure–self construal. Classification of self- versus other-attributed emotions is based on whether the cause of dissatisfaction lies in the self or other people (Oliver 1993). The effect of social presence on emotions is triggered by concerns about social evaluation (Schlenker and Leary 1982). It was hypothesized that that the negative effect of self- versus other-attribution will be stronger when out-group observers are present versus no observers. We also hypothesized that consumers who are low on independence, due to their increased sensitivity to contextual social factors such as social presence, should react to negative service encounters more negatively whenever others are present (regardless of the type of presence) than when they are alone. By contrast, social presence should have little or no impact on consumers who rate themselves as high on independence.

Participants were asked to read a cartoon scenario depicting a disagreement between a customer and a bookstore cashier. Self- versus other-attributed emotions were manipulated by scenarios in which either the bookstore employees or the customer was clearly responsible for the problem leading to the disagreement. For the type of social presence manipulation, cartoon figures were identi-fied using captions as either friends or strangers. As such, study 2 employed a 2 (self-attributed *versus* other-attributed negative ser-vice outcome) X 3 (in-group social presence, out-group social presence *versus* no social presence) X 2 (high- *versus* low-indepen-dence) between-subject design.

The results of study 2 indicated that compared with no social presence condition, social presence (in-group or out-group) significantly increased the negative effect of a disappointing self-attributed service encounter but reduced the negative effect of a disappointing other-attributed service encounter. Further, social presence reduced the negative effect of a service disaster on service evaluation for consumers with high independent self-concepts [satisfaction: M=3.7 versus 4.2, t(161)=1.46, p<.08; intentions: M=3.4 versus 3.8, t(161)=1.40, p <= .08] and increased its negative effect for consumers with low independent self-concepts [satisfaction: M=4.0 versus 3.3, t(145 )=1.88, p<.03; behavior intention: M=4.3 versus 3.5, t(145)=2.36, p<.01].

Overall, the present research revealed the intricate interplay of situational cues (social presence and its type), a customer factor (cultural value-orientation) and a provider communication factor (attribution) on evaluation and intentions. Social presence remains an interesting and understudied construct in consumer research that represents fertile ground for further exploration.

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# Proximity to or Progress toward Receiving a Telephone Service? An Experimental Investigation of Customer Reactions to Features of Telephone Auditory Messages

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## EXTENDED ABSTRACT

Telephone waiting is an undesirable experience for most customers and can negatively impact service evaluations (Katz, Larson, & Larson, 1991), but is often unavoidable because of staffing costs (Hall, 1991) and the inability to predict service demand (Zeithaml, Parasuraman and Berry, 1990). Customer reactions to waiting can have significant business implications, calling for attention to factors that may mitigate negative reactions to queues and waiting. In telephone waiting, auditory messages through the telephone system are the primary means by which firms can facilitate waiting. Auditory messages are a sole source of information during telephone waiting and thus are a key for shaping customer reactions. Yet research on the effects of auditory messages on caller behavior is very limited.

Aiming to fill this gap, we investigated customer reactions to auditory messages, concentrating on messages that provide information about location in the queue. We assume that firms can manage queue perception and thus reactions to waiting through manipulating the information provided to customers about the queue. Specifically, information provided can help to create two types of psychological frames for people waiting in a telephone queues: A progress oriented frame, and a proximity to the service oriented one. Our prediction is that these frames can differently affect customer reactions. We compare and contrast predictions, drawn from these two frames, and argue that a sense of progress approach affords more accurate predictions of caller attitudes, whereas a sense of proximity frame offers a better approximation of caller behavior.

Our analysis introduces goal proximity as a critical variable for understanding people's reactions to queue length. The logic of proximity to a goal suggests —assuming that the duration of waiting is identical— that shorter queues will make people feel greater goal proximity than longer queues. Thus, queue length—or the number of people ahead of a customer in a queue—is predicted to influence the level of proximity a waiting customer senses.

At the same time previous research has demonstrated that actual long distance from the goal—or low goal proximity—creates frustration and dissatisfaction, whereas high goal proximity causes people to invest higher effort in persuing their goals (Kivetz, Urminsky, & Zheng, 2006). This implies that telephone queues that induce a higher (vs. lower) sense of goal proximity will induce greater satisfaction in and lead to more queue persistence of callers.

An alternative perspective for analyzing effects of telephone queues is people's sense of progress, as introduced by Munichor & Rafaeli, 2007). This perspective can lead to predictions that contradict those of goal proximity since— assuming equal duration of a wait—longer queues must also be faster. Thus, a sense of progress perspective suggests that people in a longer queue (vs. in a shorter queue of the same waiting time) will feel a greater sense of progress. Sense of progress is known from previous research to motivate people, so we can suggest that queues that induce a higher sense of progress will lead to better customer reactions in terms of satisfaction and queue persistence.

Message update frequency—or the number of times a customer hears a message while waiting—is also a salient attribute of a telephone system that has not been previously examined. We suggest that rapid updates emphasize to people whether a queue progresses quickly or slowly, and therefore moderate the relationship between progress rate in a queue and callers' sense of progress.

We examined our predictions using an experimental simulation of telephone waiting, in which we measure customers' reactions to auditory messages. The simulation provided the callers with information about their position in the queue while holding the duration of the waiting constant. Furthermore, this infrastructure allowed accurate measurement of caller satisfaction and queue persistence (as opposed to abandonment) rate. Our between subject experimental design created two queue lengths (long and short) and two update frequencies (high and low). This design enabled the examination of the two suggested psychological orientations of people in queues: Sense of progress orientation was manipulated through informing callers that the line they have joined is long (i.e. 'your position in the line is 9') and progressing them rapidly (i.e. every 18 seconds, which add up to three minutes of waiting). Sense of proximity orientation was manipulated through informing callers that the line they have joined is short (i.e., 'your position in the line is 2') and progressing them slowly (i.e., every 90 seconds, which add up to 3 minutes of waiting).

The findings support our predictions regarding the previously unexamined idea that customers' reactions to a telephone waiting are influenced by the way they perceive their progress or proximity to the end of the queue. The findings show that the same message may affect callers' satisfaction and behavior in contradictory ways that depend on the way the message is being used: callers are more (less) satisfied but are (more) less persistent in a (proximity) progress oriented queue. Our analysis suggests an explanation for this apparent contradiction. According to our analysis the two dimensions of customer reactions—behavior and satisfaction—are influenced by separate mechanisms—sense of progress influences satisfaction while sense of proximity influences persistence.

Specifically, our findings show that–in queues with equal duration—a progress (proximity) oriented queue leads customers to report high (low) satisfaction through affecting their sense of progress, while simultaneously lead them to be less (more) persistent in the queue, through affecting their sense of goal proximity. Furthermore, the queue orientation, which influences sense of progress and satisfaction in a condition of high frequency updates, does not have this influence in a condition of low frequency updates. This finding suggests on a moderating effect of update frequency on the relationship between queue orientation and caller sense of progress.

Integration of our findings with current literature concerning physical waiting environment allows us to propose the concept of *auditory waiting environment* as a key feature of the waiting situation. This concept broadens the previous literature focus on time fillers (Munichor and Rafaeli, 2007). The concept also suggests that analyses of telephone queues and waiting can embed multiple psychological dimensions that can be manipulated through telephone messages, which expands the role of recorded messages.

In an experiment that followed the one reported above, participants in the simulation experiment were contacted two days after the original experiment and were asked for their retrospective satisfaction. Their reports supported the original findings. This

support helps to affirm our suggestion that the auditory waiting environment design as a key influence on customer satisfaction.

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# The Value of Human Warmth: Social Presence Cues and Computer-Mediated Communications

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## EXTENDED ABSTRACT

Organizations communicate with customers through various media. Historically, communications occurred through mass mediated messages (e.g., television, newspapers) or face-to-face communication. During the last decade, emerging technologies have enabled firms to communicate with customers using individualized methods (Hoffman and Novak 1996). An important difference between traditional face-to-face communication and computer-mediated communication is that the former encompasses more psychological connections. In face-to-face interviewing, people communicate via multiple cues (e.g., eye contact, gesture, facial expression). At the same time, computer-mediated communications exhibit little emotional or social appeals.

One way to overcome the lack of human warmth in computer-mediated communication is by increasing the social presence of each party. Social presence is defined as the salience of another person in a mediated environment (Short et al. 1976). For instance, the presence of an avatar or the presence of socially rich descriptions or pictures of products in decision making (e.g., purchasing a product from an e-store) have a positive impact on purchase intention (Gefen and Straub 2004; Holzwarth et al. 2006). Relatively little research examines the impact of social presence cues in virtual communication settings (e.g., firms communicating with their customers via emails or instant messaging). According to social presence theory, when customers communicate with a firm through a computer-mediated communication channel, they receive different cues for interpretation (Short et al. 1976). To the extent that a computer-mediated channel sends signals that create a sense of face-to-face communication, customers will consider the virtual communication experience more communicative and friendly.

This leads to a question regarding consumers' perceptions of social presence cues. During computer-mediated communications, as the level of social presence cues increases, is communication effectiveness enhanced from the consumer's perspective? Social presence theory predicts that the optimal level of social presence depends on how much the situation requires social presence. In other words, the appropriateness and need for social presence differs across the types of situations/inquiries. For instance, imagine that a consumer is sending an instant message complaining about his billing error. The firm's response might not be personalized or prompt for many reasons including: 1) all available representatives are taking care of other customers, 2) the corresponding representative is not knowledgeable to resolve the issue and s/he needs to transfer the case to other reps, and 3) it takes a long time to retrieve the consumer's billing information and history. Under these situations, including more psychological connections and human warmth to the exchange will help the communication become more reciprocal and interactive regardless if the major concern is not yet resolved. On the other hand, if the firm sends a prompt response message that is personalized and associated with the former message (e.g., resolving billing error), adding social presence cues to this message will not make a significant difference in the communication outcome.

Therefore, the objectives of this paper are twofold: (1) to explore the influence of social presence cues and (2) to test the moderating role of situation in computer-mediated communications. Social presence theory is applied as a theoretical background to address the two objectives. In particular, this study focuses on a situation where consumers communicate with an e-store through an Internet chatting function.

The hypotheses are tested using a full factorial design. The experiment was a 2 (with vs. without social presence cues) X 2 (non-personalized vs. personalized message) between-subject factorial design. 120 participants were recruited from undergraduate and graduate business courses from an AACSB-accredited University. Participants were assigned to a scenario where they received a wrong product from an e-store. Participants engaged in live online chatting with a store representative to resolve the problem. After participants completed the chatting session, we collected dependent measures including: reciprocity perceptions, attitude, satisfaction, and repurchase intention.

We found three interesting results. First, the inclusion of social presence cues in computer-mediated communication enhances consumers' perceptions of reciprocity and site quality, and strengthens consumer loyalty and favorability toward the site. Second, reciprocity perception mediates the influence of social presence in terms of loyalty, attitude, and perceptions of site quality. Third, the influence of social presence cues on reciprocity perception depends on the degree of social presence required for a given situation.

One important feature that differentiates the Internet from traditional media is the potential for immediate interactions between customers and firms. Here, we find that increasing the level of social presence cues can be an effective measure for stimulating interactive and effective communications.

Here, we apply social presence theory in the context of computer-mediated communication. Previous studies have explored the influence of social presence cues on trust (Gefen and Straub 2003; Gefen and Straub 2004), system/media acceptance (Karahanna and Straub 1999), and patronage behaviors (Hassanein and Head 2005) in commercial web sites. However, the application of these findings to consumer behavior is somewhat limited. Our results provide support for social presence theory, indicating the usefulness of the theory for consumer behavior applications in the area of new media.

New media offer important opportunities for organizations to establish interactive communications with their customers. A first step toward stimulating such virtual relationships is to understand consumers' perceptions. This research provides preliminary understanding of how consumers perceive computer-mediated interactions and highlights the important role of social presence cues.

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# The Influence of Art Infusion on the Perception and Evaluation of Consumer Products

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## EXTENDED ABSTRACT

A great deal of evidence exists of the widespread use by marketing practitioners of visual art as a tool (Hoffman 2002; Martorella 1996). However, virtually no research has been conducted to provide insight and understanding regarding the strategic use of this tool to meet marketing objectives (Margolin 1992). The current research represents an initial step to systematically analyze the influence of visual art on evaluations of consumer products. With three studies, we investigate the phenomenon of *art infusion*, which we define as the influence that the presence of art has on consumer perceptions and evaluations of products with which it is associated. In this research we theorize that perceptions of luxury spill over from art, creating more favorable evaluations of these products.

## What is Art?

We adopt a consumer-focused perspective, namely that art is that which is categorized by the viewers as such (Bourdieu and Darbel 1997; Dewey 1989). This definition is particularly relevant, as it is the viewers' or consumers' perception that matters in this context, irrespective of scholarly debates about what does or does not constitute art. Evidence supporting the notion of a general schema was also found in a descriptive survey conducted by the authors. Based on these self-reports, on extant research (Hagtvedt, Hagtvedt, and Patrick 2007), and on a review of art history (e.g., Tansey and Kleiner 1996), artworks may be identified as works perceived as embodying human expression, where a perceived main feature of the work is the manner of its creation and/or execution rather than just a concept, idea, or message underlying it or conveyed by it, and where this manner is not primarily driven by any other contrived function or utility. Although there appears to be virtually no restriction on what may be successfully marketed as art in the contemporary art market, the average consumer nonetheless appears capable of distinguishing between works characterized by the creativity and skill of an artist and works characterized primarily by marketing efforts. While training presumably enhances this ability in viewers, it seems reasonable that with the emergence and development of visual art through the millennia of prehistory, perhaps tied to aesthetics as a pre-linguistic form of communication (e.g., Averill, Stanat, and More 1998; Lindgaard and Whitfield 2004), even untrained viewers are able to identify visual art as a distinct category of human expression.

## The Art Infusion Phenomenon

Several theoretical perspectives shed light on how the properties of art may spill over on products, including classical conditioning (Gorn 1982), halo effects (Balzer and Sulsky 1992), and contagion (Rozin, Millman, and Nemeroff 1986). In line with such perspectives, we propose that visual art may influence consumer evaluations of the products with which the art is associated, while the type of influence will follow from how art itself is perceived. At a general level, art is associated with a heritage of culture, it has historically represented a special kind of quest for excellence, and it has connotations of luxury and exclusivity (Hoffman 2002; Margolin 1992; Martorella 1996; Tansey and Kleiner 1996). We propose that a product infused with art will take on these connotations, causing more favorable product evaluations. This phenomenon is not tied to the content of a specific artwork, but to a general schema for art.

## Study 1

The objective of this study was to demonstrate that the presence of visual art leads to enhanced evaluation of consumer products via a content-independent spillover of luxury perceptions. A deal was contracted with a local restaurant to survey 100 of their patrons in exchange for conducting a customer satisfaction survey. One hundred people participated in the study (53% male, 47% female; $M_{age}$=43 years; average family income=$5,600 per month). The product to be evaluated was a typical set of silverware (a set of a spoon, fork, knife, teaspoon, and steak knife), exhibited in custom-made black velvet boxes with white satin lining. The top of the box had a print of either Van Gogh's Café Terrace at Night (art image) or a photograph of a café at night (non-art image). Participants were fleetingly exposed to the front face of the box before it was opened and then answered a set of questions about the silverware. Results revealed significantly higher product evaluations and perceptions of luxury for the art condition. Further, perceptions of luxury fully mediated the influence of art on product evaluation.

## Study 2

In this study, 107 participants were randomly assigned to one of three conditions: an advertisement for bathroom fittings featuring the painting Girl with a Pearl Earring by Johannes Vermeer, a photograph of Scarlett Johansson posing as the Girl with a Pearl Earring, or no image. Thus, content was matched for the two visual images. Results revealed that product evaluation and perceptions of luxury were significantly higher for the art image, and that the perceptions of luxury fully mediated the influence of art on product evaluation.

## Study 3

Seventy-six undergraduates participated in this study, using a soap dispenser as the stimulus with three experimental conditions (one of three images on the front face of the soap dispenser: artwork pre-tested to elicit positive affect vs. artwork eliciting negative affect vs. decorative non-art image, with same content as the positive artwork). The art-conditions of differing valence were incorporated to control for the alternative explanation that the content of the artwork could be driving the results rather than the general connotations of art. The non-art image was also included to demonstrate that the art, not the content of the image, was driving the results.

Results revealed that for both product evaluation and perceptions of luxury, the two artworks caused significantly higher ratings than did the non-art image, while there was no difference between the two artworks. Further, the perceptions of luxury fully mediated the influence of art on product evaluation.

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# Persuasion Pleasure and Selling Stress: The Role of Non-Verbal Communication in Consumer Influence Settings

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## EXTENDED ABSTRACT

Compliance strategies used in interpersonal communication have received ample, but skewed attention in the literature. That is, studies have focused on what the agent presents, but have largely ignored the role of nonverbal communication in this process (e.g., Burger 1999; McFarland, Challagalla, and Shervani 2006). The present research aims to fill this void by examining the role of facial displays, bodily posture, gesticulation and other forms of nonverbal communication in consumer influence settings. In short, we hypothesize that features of the interpersonal interaction give rise to either one of two specific patterns of nonverbal behavior that may directly affect consumer compliance. In four experiments we examined the expression of these patterns of nonverbal and their effects on the persuasive outcome of the interaction between agent and target.

## Theoretical Background

There are various grounds to expect that nonverbal behavior will play a significant role in interpersonal persuasion situations, both in interaction with "the verbal channel" and by itself. More specifically, it has been argued that nonverbal channels are harder to control by the agent than the verbal channel and thus convey more 'sincere' or diagnostic information to the target with respect to the agent's motives and goals. In addition, nonverbal behavior is more accessible to the target than to the actor, which makes it difficult for the latter to regulate such behavior. Finally, nonverbal behavior is displayed quicker and appears less 'planned' than verbal behavior (Ambady, Krabbenhoft and Hogan, 2006). With regard to the *valence* of nonverbal behavior, the persuasion interaction provides the agent with information on goal attainment while the persuasion attempt unfolds. From the start of the attempt, the target will provide negative or positive feedback to the agent. The agent's anticipation of success or failure resulting from this feedback will induce concomitant emotions that subsequently affect which types of nonverbal cues may occur in these situations (cf. Ekman 1992). Negative feedback will induce nonverbal cues expressive of the stress and anxiety associated with anticipated failure ("selling stress"). Conversely, positive feedback will induce nonverbal cues expressive of the positive emotions associated with anticipated success ("persuasion pleasure"). Both types of nonverbal cues are thought to affect consumer compliance and persuasion, such that cues expressive of anticipated success will result in more persuasion than cues expressive of anticipated failure.

Moreover, there is reason to assume that the effects of nonverbal cues on compliance and persuasion will be "boosted" when they are embedded in a social influence strategy, compared to a situation of a simple request, without any persuasive script. In short, a consumer attending to a persuasion script (i.e. a compliance-gaining technique) may be distracted from thoroughly processing the "true meaning" of the nonverbal behavior and integrate it with all other information. This implies that nonverbal cues will act as heuristics under these circumstances and affect compliance through their impact on agent credibility perceptions (cf. Chaiken and Trope 1999).

## Method

In a series of four experiments, the hypotheses on the expression and effects of nonverbal cues in consumer influence settings were tested. Study 1 focused on the expression of cues associated with anticipated failure, and Study 2 examined the display of cues associated with anticipated success. In both experiments, nonverbal behavior of agents attempting to persuade a resisting (Study 1) or yielding (Study 2) target (actually a trained confederate) was observed and rated by judges in categories indicating the respective patterns of nonverbal behavior. Moreover, Study 2 assessed the mediating role of agent emotions. Study 3 and 4 shifted attention from the manifestation to the persuasive effects of both patterns of nonverbal cues. In Study 3 the role of cues associated with anticipated failure and success in conjunction with a Door-In-The-Face technique was examined in a commercial supermarket setting. In Study 4, the impact of both types of nonverbal cues was assessed in a non-profit influence setting. Moreover, a different type of social influence technique was used (a "Continuing Questions Procedure", Burger 1999). Finally, Study 4 examined the mediating role of agent credibility perceptions.

## Results and Discussion

Study 1 found evidence that a target providing an agent with negative feedback on the success of his/her persuasion attempt, induced a pattern of nonverbal behavior expressive of anticipated failure on the part of the agent: a more pronounced pattern of forced ('non-duchenne') smiles, diverting one's gaze off the target, speaking with a low and soft voice, frequent posture shifts, hiding one's face, and self-touching. In contrast, Study 2 showed that providing an agent with positive feedback induced nonverbal cues associated with anticipated success: 'authentic' (duchenne) smiles, fast and loud speech, and use of illustrators (arm gestures). In addition, agent emotions were found to mediate the impact of target feedback on agent nonverbal behavior. Study 3 demonstrated that a sales agent displaying cues associated with anticipated success induced higher consumer purchase rates than an agent displaying cues associated with anticipated failure. Moreover, the impact of nonverbal behavior on purchase rates was more pronounced when the agent employed a Door-In-The-Face influence technique, than under target-request only control conditions. In Study 4 results showed a similar effect in a non-profit context where consumers were asked to donate money to charity. Furthermore, it was found that employing a different persuasion technique (the Continuing Questions Procedure) again boosted the effects of nonverbal behavior on compliance. Finally, Study 4 revealed that perceptions of agent credibility mediated these effects.

Our findings support the notion that social influence settings may induce one of two distinct patterns of agent nonverbal behavior depending on the nature of feedback of the target. In addition, both patterns have been shown to affect persuasion in predictable ways, across various types of settings and in the context of various persuasion techniques. Finally, the present studies shed light on the processes underlying the expression and effects of nonverbal behavior in consumer influence settings.

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# Effect of Delay on Perceptions of Bargaining Outcomes: Moderating Role of Persuasion Knowledge

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## EXTENDED ABSTRACT

Bargaining and negotiation are perhaps the most fundamental of marketing processes through which buyers and sellers establish terms of exchange. Bargaining is important in consumer markets as well because the prices of many products are negotiated (e.g., automobiles, real estate). Bargaining is the norm rather than the exception in many cultures. However, consumer researchers have devoted disproportionately little attention to bargaining (c.f. Buchan, Croson, and Johnson 2004; Corfman and Lehmann 1993; Schurr and Ozanne 1985; Srivastava and Oza 2006). This anomaly has led to calls for more research on bargaining from consumer researchers (Bazerman 2001).

Recognizing that time and information are two key factors in bargaining, this paper examines the influence of time taken by an opponent to respond to an offer on perceptions of bargaining outcomes. Although the role of costly delay has been empirically examined (e.g., Rapoport et al. 1995; Srivastava et al. 2000), only a few studies examine the effect of opponent's response time on perceptions of bargaining outcomes (Galinsky et al. 2002; Srivastava and Oza 2006).

This research further examines the influence of delay or the time taken by an opponent to respond to an offer on perceptions of bargaining outcomes. Specifically, this research extends the previous work in two important ways. First, we propose a conceptualization in which inferences of opponent's reservation price lie at the core of the underlying explanation for the effect of response time on perceptions of bargaining outcomes. Although our conceptualization, based on attribution theory, is similar to Srivastava and Oza (2006), we explicitly examine the extent to which inferences of opponents' reservation price mediate the influence of response time. Additionally, to provide deeper insight into the underlying the process, we explore whether delay *per se* influences perceptions of bargaining outcomes. To the extent that bargainers infer opponent's reservation price based on the time taken to respond to an offer, it is necessary for the delay to be directly related to the bargaining situation. Second, exploring the boundary conditions for the influence of response time, we examine whether activation of persuasion knowledge moderates the influence of response time on perceptions of bargaining outcomes.

Three studies are reported in this research. Together, the studies provide insight into the underlying process by identifying and testing the boundary conditions. Identifying conditions in which the effect of response time can be attenuated suggests potential ways of making consumers less prone to falling prey to tactics such as the time taken to respond to an offer.

Study 1 demonstrates that inferences of opponent's reservation price mediate the effect of response time and that it is not delay *per se* that affect perceptions of bargaining outcomes. Replicating previous findings, bargainers were more satisfied with their outcomes when their offer was accepted after a short delay than when it was accepted immediately. However, response time influenced perceptions of bargaining outcomes only when the delay was related to the bargaining but had no influence when it was caused by an unrelated event.

Studies 2 and 3 demonstrate that activation of persuasion knowledge attenuates the influence of response time on perceptions of bargaining outcomes. When delay is recognized as a persuasive tactic, persuasion knowledge and its associated defense mechanisms reduce the potential influence of the tactic. Study 2 showed that when bargainers are primed with a description of bargaining processes and associated tactics, opponent's response time does not influence perceptions of bargaining outcomes. The implications of the priming are clear in that the results show that consumers can be educated to guard against bargaining tactics such as response time. Study 3 showed that persuasion knowledge can be activated without the external intervention of a prime. In fact, persuasion knowledge may be activated spontaneously by cues that may exist in the bargaining situation. For example, study 3 showed that persuasion knowledge was activated by altering the description of the opponent. When the opponent was described as an expert in selling, time taken to respond had no effect on perceptions of bargaining outcomes. It is noteworthy that unlike previous research that activates persuasion knowledge via ulterior motives (e.g., Campbell and Kirmani 2000; William et al. 2004), we activated persuasion knowledge by altering whether the opponent had the ability and knowledge to employ bargaining or persuasive tactics. Importantly, this research highlights the relevance and applicability of the persuasion knowledge model to a bargaining setting.

Overall, this research examines an interaction process factor, such as time taken to respond, that may emerge from within the bargaining environment to influence bargaining processes and outcomes. In addition, the findings provide insight into the boundary conditions for the influence of time taken by an opponent to respond to an offer. From a consumer welfare perspective, we identify a factor that can attenuate the influence of response time on perceptions of bargaining outcomes. Given consumers' susceptibility to response time in inferring whether they are better off or worse off in the bargaining relative to opponents (Thompson et al. 1995), knowledge of these factors may help make consumers less prone to attributions and fall prey to bargaining tactics.

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# Inferences of Interpersonal Preference Similarity Based on Unrelated Product Categories

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## EXTENDED ABSTRACT

In e-stores such as Amazon.com, someone contemplating any product can be directed to recommendations from users who have bought this product. Such recommendations do not necessarily refer to the product category originally contemplated. Do people think they will like products someone else bought just because this other person likes some unrelated product they themselves like? We propose that the answer to this question is yes. We present a phenomenon we call *similarity extrapolation*–the psychological transfer of similarity in preferences between self and others from a specific, yet arbitrary, domain to unrelated domains.

We propose that, in the comparison of another person's preferences with self preferences, people categorize the other in relation to the self, and this categorization serves as a basis for future inferences about the other person. This process is called categorical inference. People form impressions of new individuals based on an active categorization process (Brewer 1988). Moreover, as people often interpret information about others according to its congruency with the self (Gramzow et al. 2001), it is likely that the categorization occurs as a function of how similar to the self individuals are perceived to be. Once categorization takes place, additional attributes of individuals will be inferred (Brewer 1988) according to how individuals fit in the category. In similarity extrapolation, the fit would determine a graded structure leading to an increasing trend that relates degree of similarity in a domain and people's predicted similarity in other domains.

We explore similarity extrapolation in two studies. The first study was designed to show insensitiveness to domain, that is, that people extrapolate similarity to the same extent from one domain to extremely different domains. In this study, participants first chose one vase in each of 20 pairs. Participants were then matched with another participant (hereafter, partner) who had preferences either similar or dissimilar from theirs for the set of vases. Subsequently, participants learned their partners' choices for these 20 pairs of vases. Participants were then presented pairs of stimuli in one of four domains–either a new series of vases, sculptures, tourist activities, or comic strips–and were asked to choose the option they preferred, and the option they thought their partner chose. We had 40 participants per domain (20 in the similar and 20 in the dissimilar condition.) Thus, we had 160 participants in total. As we expected, participants picked the same option for the partner and themselves more times with a similar ($M = 14.9$, $SD = 3$) than with a dissimilar partner ($M = 11.3$, $SD = 3.2$, $p < .001$), and this difference was *significant by domain*. As we hypothesized, participants' inferred similarity with partners based on preferences for vases was independent of predicted domain.

The second study was designed to both provide evidence for categorical inference as an explanatory mechanism and demonstrate similarity extrapolation with similarity information clearly selected from sets likely to contain disconfirming information. In this study we tested similarity extrapolation from opinions for vases to opinions for tourist activities. Pairs of items were shown side-by-side on the computer screen. Preferences were measured on a six-point scale ranging from "(1) strong preference for the item on the left" to "(6) strong preference for the item on the right." For the analyses, we report dichotomized responses (choice of one of the two options.) Study 2 involved two selection conditions: *full* and *partial*. In the full condition ($N = 59$), participants evaluated three

pairs of vases and were then shown the opinions of their partners for the same three pairs of vases. The partial condition involved a second manipulation: partner's similarity, which could be either similar ($N = 20$) or dissimilar ($N = 20$). Participants first evaluated 12 pairs of vases and were then *explicitly told* they would be shown their partners' opinions for either the three pairs for which there was strongest (similar condition,) or weakest agreement between self and partner (dissimilar condition.) After learning partners' preferences, participants in all conditions were asked to estimate how many times in a set of 10 pairs of tourist activities they would choose the same item as their partner (predicted agreement question.) Participants were then shown 10 pairs of tourist activities and asked to rate each pair on the same scale used to rate vases. Participants were also asked to predict their partners' preferences (item-by-item prediction.)

Results from the partial condition demonstrate insensitiveness to information selection, that is, we observed significant similarity extrapolation in the number of times participants chose the same tourist activity for themselves and for their partners (item-by-item): similar partner ($M = 7.8$, $SD = 2.14$) versus dissimilar partner ($M = 5.2$, $SD = 2.48$, $p = .001$). Participants did not predict significantly higher overall agreement for tourist activities (predicted agreement question) in the similar partner condition ($M = 5.15$, $SD = 2.43$) than in the dissimilar partner condition ($M = 4.65$, $SD = 1.53$, $p > .1$). In the full condition we found evidence for categorical inference. A significant linear trend contrast was obtained from agreement for vases to the predicted agreement question for tourist activities (participants were divided in four groups according to the number of times participants agreed with their partners for the three pairs of vases–denoted by the subscripts from 0 to 3: $M_0 = 3.14$, $SD_0 = 1.77$; $M_1 = 3.71$, $SD_1 = 2.02$; $M_2 = 4.05$, $SD_2 = 1.96$; $M_3 = 6.46$, $SD_3 = 1.81$; $p = .001$). A significant linear trend contrast was also obtained from agreement for vases to the item-by-item agreement ($M_0 = 5.71$, $SD_0 = 2.5$; $M_1 = 5.12$, $SD_1 = 2.23$; $M_2 = 6.36$, $SD_2 = 1.71$; $M_3 = 7.31$, $SD_3 = 1.93$; $p = .043$). These linear trends suggest categorization occurred in a graded structure such that the more similarity was perceived for vases, the more similarity was inferred for tourist activities.

We conclude with implications of similarity extrapolation for agent decision making, gift-giving, brand extensions, and online recommendations of the type "People who bought this also bought that."

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# "Size Counts": The Effect of Queue Length on Choice between Similar Restaurants

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## EXTENDED ABSTRACT

Consider the following situation: a customer is faced with a choice between two restaurants that look similar, except that outside one, but not the other, trails a relatively long queue of customers. Which restaurant the customer should prefer? This question is of interest of many restaurants, cafes, bars, and other services that are typically located in the same area and face hard competition.

However, it seems that predicting behavior in such situations is not trivial. On the one hand, both logic and empirical evidence suggest that customers are reluctant to waiting and are likely to prefer the restaurant that is associated with a shorter queue. On the other hand, previous research on herding behavior suggests a variety of reasons that make customers follow the herd, which can imply preference for the longer queue. Unfortunately, previous research on queuing falls short in providing clear predictions for the effect of queues on behavior in such settings because it is typically focused on customers' responses in the queue. The research on queuing management does not address customers' preferences for services that are associated with different queue lengths.

The current research provides a first step towards understanding the effects of queues on customers' choice between services. Specifically, it examines prospective customers who can choose between similar restaurants that are associated with different sizes of queues. The focus of interest is the question whether the length of the queue can have an effect on the customer's choice between the restaurants.

The empirical examination is conducted by observations made across pairs of similar restaurants during prime hours to analyze the potential link between the length of the queue outside each restaurant and the number of customers who choose that restaurant (and join its queue). We manipulated the degree of customers' familiarity with the restaurants by looking at six pairs of "tourist restaurants" (i.e., restaurants that are located in tourist destinations and serves tourists who are not familiar with the restaurants), and six pairs of "local restaurants"(that the customers are usually familiar with). We hypothesized that if queues are indeed related to customers choice between restaurants, then the effect will be stronger with tourists because their low familiarity with the service. This stronger effect would be reflected by larger fluctuations between the restaurant's popularity from day to day in tourists but not in local restaurants (e.g., the restaurant that was more popular in a certain day will become less popular in another day–an effect that we call "inversion effect"). Each pair was carefully selected to ensure that the restaurants were indeed similar in terms of food type, quality of the food served, number of seats available, and pricing. In addition, the two restaurants in each pair were situated adjacent to each other. For each pair, we made six sets of observations over six consecutive days during prime hours. Two main measures were recorded: (a) the length of the queue outside each restaurant at the start of each observation, and (b) the total number of customers who joined each queue during the 20-minute observation period.

The results showed a strong positive correlation between the length of a queue and the number of customers who joined the queue, suggesting that customers preferred restaurants with larger queues. As predicted, this correlation was much stronger in tourist restaurants ($r_{length,join}$=.86, $p$<.0001) than in local restaurants ($r_{length,join}$=.72, $p$<.0001). As expected, the variance in changes of restaurants' popularity from day to day in tourist areas is significantly larger than in local areas ( F=4.63, $p$<.0001, Levine's test). In order to control for possible restaurant fixed effects (e.g., quality), we regressed the preference for a certain restaurant on the queue length in that particular day, and the average queue lengths of all other 5 days of observation. The regressions results showed that the effect of the queue length on choice was significant even when such fixed effects are controlled. Specifically, in local restaurant there seem to be a fixed effect (e.g., A}B), but the probability of choosing A decreases when the queue for A is shorter. In tourist areas, there were no evidence for such fixed effects; the only significant effect was that of the queue length on choice.

The findings of the current study have important implications for restaurants managers, mainly in tourist destinations. The results suggest that such restaurants face continual competition, with each day starting a new "game." Creating a longer queue outside a restaurant as the prime dining hours begin may have a strong influence on determining the winner in this competition.

We believe that in local areas, it will be harder for restaurants to benefit from herding behavior once their relative positions have been established. Yet, holding longer queues seems beneficial even in local areas. This effect would be probably most relevant whenever a new restaurant is opened. Then, the owners/managers may benefit from keeping supply slightly lower than demand. Informal conversations with restaurant managers reveal that some are already aware of this phenomenon and act accordingly.

The current study has also important theoretical implications. First, it is the first empirical study that examines whether herding can occur when it implies a direct and noticeable cost such as waiting longer times. Second, it provides some insights on the effect of queues on prospective customers outside the queue. The strong association between the length of queues and choice that was demonstrated here suggests that it should be interesting to study similar situations and to further study the cognitive mechanisms associated with such decisions. We think that the positive effect observed here is limited to cases where customers have an obvious choice, and where queue length may hint at service quality (e.g., restaurants, nightclubs). It is probably foolish for a post office to intentionally create longer waiting lines. Yet, at least in the case of restaurants, trying to eliminate or shorten queues is not a recipe for success. Indeed, the current study demonstrates that "size really counts."

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# The Impact of Size of Self-Generated Consideration Set on Post-Choice Regret

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## EXTENDED ABSTRACT

Regret is a negative emotion that is the result of a comparison between factual and counterfactual experience. Operationally, the basis for the measure of the level of regret is on the comparison between the outcome of the chosen option and that of a forgone alternative. The underlying assumption that regret arises from a comparison with one forgone alternative ignores the impact of other alternatives in the consideration set during the decision-making process. As many studies point out, consumers often adopt a two-stage strategy to make choices in real decision-making situations. More specifically, they first form a consideration set with some elimination rules, then they make a choice among the self-generated alternatives. In reality, consumers are often obsessed with more than two options in the consideration set when making their final decisions. Recently, researchers have suggested that it is possible to induce regret not only by the outcomes comparison, but also by the decision-making process. The majority of prior studies neglect these influences of process factors on regret. Therefore, for a better understanding of regret it may be insufficient to consider only the outcome comparison from a better-forgone brand.

Some attempts have begun to examine how the size of a prescribed consideration set influences regret. Currently, as consumer rights rise and information overload increasingly confronts consumers, the adoption of a two-step decision strategy and the formation of a self-generated consideration set before making choices are more prevalent in real consumer decision settings. We believe that the self-generated consideration set should have a more direct impact on self-focused negative emotions, such as post-choice regret. In addition, market and social trends also increase the possibility that a better-forgone alternative comes out of the consideration set.

By realizing the gap, we set two research objectives in this study. The first is to investigate whether the size of a self-generated consideration set influences post-choice regret. The second is to explore whether the size effect varies with the source of a better competing alternative, i.e., inside or outside of the consideration set.

We posit that all else being equal, the feeling of regret is higher when the size of a consideration set is larger, as the feeling of choice responsibility is larger when given a greater number of available alternatives. Given the same magnitude of outcome comparison, we argue that regret is lower when the better alternative comes from an unawareness set, as consumers intend to ascribe the inferior result to external attributes such as lacking ability or opportunity to seek sufficient information. More interestingly, we postulate that the effect of size reverses when the better option comes from an unawareness set, that is, the feeling of regret is lower when the size of consideration set is larger. In this case, consumers try to justify the decision by "at least I tried" reasoning that focuses on the decision process for regret regulation. They will perceive greater decision-making efforts involved when forming a larger size of consideration set prior to a real purchase, thus increasing the justifiability for their purchase decision. Therefore, they will associate themselves with less responsibility and self-blame for the bad outcome, thus resulting in lower post-choice regret. Whereas, when consumers make a choice with a small consideration set, they may engage in introspection for the extent of effort and prudence they paid in the decision-making process, and feel responsible for not conducting a thorough information search and including more alternatives into their consideration set. Self-attribution and more responsibility lead to higher regret. Thus, the size effect may vary with the source of better-forgone option.

Accordingly, we propose the following hypotheses:

H1. *When the size of consideration set is increased, increased regret is experienced.*

H2. *For the same outcome difference, the level of regret is lower when the better performing alternative comes from an unawareness consideration set than when the better one comes from the self-generated consideration set.*

H3. *When the better performing option comes from an unawareness set, the experience of regret attenuates as the size of consideration set is increased.*

Two experimental studies tested the hypothesis. The first study examined the effect of size on regret with a 2 (size of consideration set: two alternatives vs. five alternatives) x 2 (outcome valence of chosen brand: positive vs. negative) x 2 (information availability of better-forgone brand: known vs. unknown) between-subjects factorial design. Findings of the study demonstrate that when the size of self-generated consideration is larger, subjects' regret is higher regardless of whether the performance of the chosen brand meets its prior expectation or not, as long as information on the better-forgone brand is available. Even when information of the better-forgone brand is not available, subjects still feel regret when their expectation of the chosen brand is not met, giving support to counterfactual thinking. Furthermore, in this circumstance, the size effect of a consideration set persists.

The second study extended the first by investigating the size effect in situations where the better option comes from an unawareness set with a 2 (outcome valence of chosen brand: positive vs. negative) x2 (source of comparison information: awareness set vs. unawareness set) x2 (size of consideration set: two alternatives vs. five alternatives) between-subjects factorial design. Findings of this study demonstrate that when the better option comes from an unawareness set, subjects experience lower regret than when the better one comes from a self-generated consideration set, regardless of the whether the outcome valence of the chosen brand is positive or negative. Moreover, when subjects are dissatisfied with their chosen brand and find a better option from the unawareness set after choice, they experience less regret than when they previously form a larger consideration set. The two studies support all hypotheses.

The paper explicitly shows that for a better understanding of regret, we should consider not only the outcome comparison, but also the number of other forgone alternatives and the source of the better option. It enriches the literature by adding more evidence on how the decision process may influence regret.

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# When Starbucks Meets Turkish Coffee: Cultural Imperialism and Islamism as 'Other' Discourses of Consumer Resistance

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## EXTENDED ABSTRACT

Global brands such as Starbucks, McDonalds, and Nike present marketers tremendous opportunities for growth beyond the saturated shores of American and European markets. The prestige and quality associated with global brands often make them the foci of consumer desire in developing countries. However, their association with powerful nation states and multinational corporations can also render global brands to diverse consumer interpretations. For example, global brands are perceived as symbols of cultural imperialism, threats to national sovereignty, and even enticements of infidel. Such interpretations materialize in both subtle and overt consumer reactions ranging from individuals' refraining from a particular global brand to vandalization of businesses (*Economist* 2000).

This form of consumer behavior is theorized as consumer resistance. Past research has conceptualized consumer resistance as a reaction against a permeating consumer culture and hegemonic consumerist ideology, excessive materialism, and controversial marketing strategies (Penaloza and Price 1993, Ozanne and Murray 1995, Firat and Venkatesh 1995). It has been argued that this consumption bonanza leads to a loss of authenticity and meaning. This, in turn, is seen as the basis for a rise in defiant consumers, trying to evade the mainstream marketplace by pursuing alternative lifestyles such as voluntary simplicity or downshifting (Elgin 1981, Schor 1998). Extending that research, Holt (2002), Kozinets (2002), and Thompson and Arsel (2004) conclude that resistance is a postmodern and postmaterialist phenomenon through which consumers engage in socially and environmentally conscious, anti-materialist, and anti-corporate discourses and practices as they seek authenticity and personal sovereignty in everyday life. However, interpretations of consumer resistance as a postmodern, postmaterialistic phenomenon are not readily applicable to consumer resistance in developing countries. In developing countries, it is not affluence and malaise that shape consumer culture, but rather poverty, unemployment, devaluation of local currency, lack of opportunities for education, migration, corruption, failed state policies, and social polarization.

This research extends the existing literature by examining consumer resistance in a developing country context in light of economic, cultural, social, and political consequences of globalization. More specifically, this study analyzes resistance as a consumer reaction against not just consumer culture and marketers' practices but also globalization and the problems it bears for consumers in everyday life. Anti-globalization sentiments underlying consumers' anti-corporate reactions have been addressed by previous research through an examination of Starbuck's influence on other American coffee shops (Thompson and Arsel 2004). However, cross-cultural contexts, undoubtedly, better represent the full scope of economic, cultural, social, and political tensions that global-local encounters bear. In other words, consumer resistance emerges at full throttle when Starbucks perceivably threatens the reign of Turkish coffee in Turkey. Not surprisingly, the discourses and practices of resistance that such an encounter engenders, as identified through this research, are quite distinct from those noted in previous studies.

The data of this study has been collected over three months of fieldwork in Turkey, a developing country with a prominently Muslim population. Turkey as a transitional country, with its rapidly developing consumer society despite increasing poverty rates, offered a natural setting to observe and understand alternative motivations and practices of consumer resistance as informed by globalization in a non-Western Muslim context. The researcher is a native of Turkey; being fluent in Turkish language and well-versed in local culture has allowed the researcher to establish ethnographic credibility with the informants studied and construct a culturally informed account of resistance in this country context.

The ethnographic fieldwork involved in-depth semi-structured interviews, participant observation, and consumer diaries. Thirty depth interview respondents were identified through snow-ball sampling, a technique frequently applied in qualitative research to identify information-rich cases through social networks (Patton 2002). Informants were selected from low, middle, and high socio-economic status to capture diverse reactions to globalization and resistance to global brands. The sample included twelve Islamist[1] women and their family members to account for the recent surge in the interest in political Islam among Turkish consumers.

The analysis of interview transcripts, informant diaries, and researcher's field notes revealed resistance toward many global brands including Coca-Cola, Nestle, McDonalds, Microsoft, Marlboro, Nike, Starbucks, and Shell. In particular, this study identified discourses of cultural imperialism and Islamism as prominent motivators of consumer resistance in this field site.

The discourse of cultural imperialism this research identifies is especially noteworthy given that it challenges recent anthropological theories of 'hybridity', 'creolization', and 'glocalization'. In response to claims of imperialism and cultural homogenization, these theories contend that elements from various cultures can be selectively appropriated to structure 'hybrid' forms of meaning-making and behavior leading to heterogeneity of cultural expression (Appadurai 1990, Featherstone 1991, Hannerz 1987, Robertson 1995). However, despite anthropological claims of cultural heterogeneity, this research suggests that the discourse of cultural imperialism continues to function as a folk theory that influences consumers' narratives of resistance in Turkey as evinced in the following informant quote:

> McDonalds, Marlboro, Coca Cola, and what is that kahve [café] that all the rich kids go today, oh, Starbucks-I think all of these brands are the instruments of imperialism. These are all polluting our country and our language. Everywhere you look there is a foreign word, brand, or poster. Even in local store names, now they use, let's say, 'star' instead of *yıldız* to promote admiration for Western culture in an insensible way. Or perhaps they're [referring to the present and past ruling parties] deliberately preparing the country to be a colony; brainwashing people, destroying the local culture… (Vural, Artist, Male)

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[1] I utilize Saktanber's (2002, p. 257) use of the term Islamist as individuals who are not just "much more pious than other Muslims, but also search for an alternative Islamic life politics and new social order". This meaning of the term also concurs with Sandıkçı and Ger's (2005, p. 80) use of Islamist as "those who are politically religious to distinguish it from secular Muslims who are believers without an affiliation to political Islam".

Such consumer narratives become even more striking considering Turkey, unlike other developing countries of Asia and Africa did not experience any direct colonial rule. Accordingly, these narratives may suggest that colonial history may indeed motivate consumer resistance in emerging markets of Latin American, North African, and some Southeast Asian countries that fall behind India and China in participating in the global economy.

In addition to the discourses of cultural imperialism and Islamism, this study identified situational resistance and concessionary acceptance as emergent practices of resistance, shaped by the socio-historical conditions peculiar to this field site. For example, concessionary acceptance is a curious form of resistance that requires consumers to break their resistance stance and forego ideologies by consuming global brands in the absence of satisfactory local alternatives. Even though consumers yield to the global brand, the consumption practice entails a great deal of reluctance, regret, and a fervent criticism of import substitute industrialization policies of 1960s. These statist policies are condemned for providing a protectionist environment for local industrialists to thrive in the absence of adequate regulation and direct foreign competition at the expense of consumer safety and product quality; yet they were tolerated at the time for the nationalist development ideology they espoused (Zürcher 2001). The following informant quote vividly describes the dilemma consumers experience in practicing concessionary acceptance and reluctantly yielding to global brands:

I wish we had not witnessed the *Anadol*s (first mass-manufactured Turkish car by a joint venture with Ford) on fire. Who knows how many people died because these cars would go on fire out of the blue? There were rumors about a missing bolt causing these fires…that it just cost, I don't know, 30 or 50 *kurus* (one hundredth of a Turkish Lira) but Koç (local partner of JV) wouldn't use it to save money…I truly want to support the local industry but after all that one has to be stupid to do that. With small items like I don't know, a mixer or toaster, it is okay, like my food processor is Arçelik (produced by Koç) …but when we need an appliance I go for a Siemens, Bosch, or Miele. (Ayse, Manager, Female)

Collectively, these discourses and practices suggest nuanced meanings and ways of consuming global brands that have not been well explored in the extant literature. Interpretations of global brands as "colonizers" or "infidels" are striking in this country context given lack of Turkey's experience with direct colonial rule and commitment to a secular democracy, yet become intelligible when read in light of the country's prolonged experimentation with modernization, democracy, and globalization. As such, these discourses and practices cannot be simply attributed to ethnocentrism or anti-Americanism.

In conclusion, this study extends both the conceptual and the geographical scope of research on consumer resistance by introducing new discourses and practices of resistance through an examination of the phenomenon in a developing country context in view of globalization. This research may also offer insights into consumer resistance in other emerging economies experimenting with modernization and democracy, as well as countries with colonial history.

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# Cries from the Goblin Market: Consumer Narratives in the Marketplace

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## EXTENDED ABSTRACT

The contemporary understanding of consumption is that it comprises mutable and malleable sets of acts that go beyond acquisition, use and depletion of consumables; consumption is a narrative of empowerment aimed at self-articulation. When consumption is viewed as a narrative, the study of consumer behaviour in turn becomes a search to understand consumption narratives. However, within consumer research, consumption narratives are typically studied through the lens of either brand semiotics or normative cultural identity.

Like other facets of social and cultural life, consumption narratives permeate the marketplace, but because marketplaces are ruled and governed by marketers, these narratives are generally more marketing communication inspired than what might be termed consumer originals. Thompson's (2004) work demonstrates that commercial narratives are created and tailored to provide meanings and metaphors to consumers to serve ideological agendas, and that the dynamically evolving nature of marketplace mythologies indicates an ever-present discourse of power among marketplace stakeholders. Because ordinary market structures do not empower consumers *within* exchange (Holt 2002) or allow them to freely create commercial as well as consumption narratives, some consumers may turn to alternate platforms such as flea markets (Sherry 1990) or the burning man festival (Kozinets 2002).

This paper explores online auctions as alternate marketplaces where the consumer becomes the marketer, and studies '*consumer generated*' commercial narratives. Selling in online auctions is primarily aimed at disposal, but consumer experimentation has resulted in popular sites like eBay becoming as much a platform for social and communal action as a platform for acquisition and disposition. This paper looks at narratives on eBay, to study how consumers create narratives that are imbued with social and cultural meanings and metaphors, archetypes and mythologies in order to promote their own ideological agendas.

*Methods and Findings*: Making use of an eighteen-month immersive ethnography on eBay, this article takes a broad overview of consumer generated narratives on two of the largest eBay regional websites, US and UK eBay. The extensive database (over 10,000 listings, more than 2,000 pages of printout) included many forms and formats of narratives: textual and visual product descriptions, audio-visual enhancements as well as statistical records, narratives that were inspired by and followed on commercial narratives, as well as originals that resisted pervasive brand semiotics.

*Consumer empowerment through alternate marketplaces*: In the relevant research literature there is arguably no universal definition of an 'alternate marketplace', but ordinarily a marketplace entails the presence of a buyer, seller and offering in a common place, a place where buyers and sellers exist in non-overlapping spheres. Online auctions where consumers act on both sides of a transaction represent a significant change in this centuries old marketplace structure by allowing a role malleability which effectively dissolves the buyer-seller boundary and makes the consumer a potent force in contemporary marketplace discourses of power (Siddiqui and Turley 2005).

eBay empowers a consumer by allowing her to play the roles of marketer, communicator, audience and buyer and thus grants her ultimate authority in her market interactions. Empowered consumers use this authority to create narratives of action, and apply them to both constructive and deconstructive ends.

At one level, consumer narratives on eBay highlight the sense of bargain hunting common to the larger eBay community, and underscore its alternate market ethos. At another level, these narratives also indicate a commonality of interest which results in the emergence of multiple communities of collectors and consumers centered on material objects and brands as well as ideologies. We found that these narratives are used both constructively and deconstructively to foster various ideological agendas.

*Discussion*: If the Foucauldian view that social and communal movements always invoke resistance to prevailing power structures is applied to alternate marketplaces, this might explain why and how new modes of trade become active subjects in the larger marketplace discourses of power. When these discourses of resistance originate as consumer actions, they have the propensity to emerge as social movements (Kozinets 2004) based on the attribution of an emancipatory universal to a particular social group (Poster 1984). In the case of eBay, simply being advertised on this platform invokes 'get it cheap', 'rock-bottom bargain' and 'value for money' themes built upon knowledge, beliefs and assumptions of the larger eBay community of bargain hunters. At one level, these themes are essentially an indication of a resistance to contemporary market structures and assume that removal of the profiteering middleman from the equation is in best interest of the consumer. However, this '*removal of middleman*' assumption is countervailed by the other popular '*from rags to riches through selling trash*' assumption held by the larger eBay community. Although many consumers do not find the juxtaposition of these two metaphors to be contradictory, they can be seen as representing historically countervailing views of alternate marketplaces. On eBay the postmodern notion of consumer freedom (Venkatesh 1998) by escaping the marketplace (Kozinets 2002) is manifested through opting for an alternate marketplace, which, ironically, attracts many consumer-entrepreneurs in quest of the Marxian prospect of becoming an active subject in the very economy they are trying to escape.

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# Contested Consumption in Everyday Life

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## EXTENDED ABSTRACT

The study of ideological conflict over meanings and methods in market economies constitutes a central research program in consumer culture theory (Arnould and Thompson 2005). Since the beginning of the 1970s, consumer researchers have accumulated an insightful body of knowledge on the motivations, ideological agendas, and empirical behaviors that consumers evolve for resisting reportedly scrupulous market forces (Peñaloza and Price 1993). For a better understanding of the various motives, expressions, and implications of market-based conflict, the emerging literature advanced theoretical notions such as consumer boycott (Friedman 1985; Garrett 1987), consumer emancipation (Kozinets 2002), consumer resistance (Holt 2002; Peñaloza and Price 1993), consumer movements {Kozinets and Handelman 2004;Thompson and Coksuner-Balli 2007}, cultural jamming (Handelman 1999; Lasn 2000), and marketplace drama (Giesler forthcoming).

Building on the initial work of Dameron (1938; 1941) and Sorensen (1941) on consumerism, this line of studies theorizes on antagonistic social behaviors as individual or collective conducts of consumers that feel reluctantly domineered by hegemonic business forces, including corporations (Thompson and Arsel 2004), brands (Klein 1999; Thompson et al. 2006), ideologies (Rumbo 2002), or the capitalist market system per se (Kozinets 2002; Kozinets and Handelman 2004). Emancipation from and resistance against such dominant powers was first expected to find its fruition outside of the "totalizing logic of the market" (Firat and Venkatesh 1995). However, in line with contemporary sociologists de Certeau ([1974] 1984), Fiske (1989), and Willis (1991), consumer culture theorists came to agree that resistance is not only a market-inherent mechanism but also an important function for rejuvenating (Holt 2002) and transforming the market (Giesler forthcoming).

Our point of departure is that due to its focus on the dramatic David-versus-Goliath types of consumer struggles against unwanted forces-such as anti-Starbucks, anti-Nike, or anti-Branding activism–current theory has largely overlooked the consumer cultural influence of the mundane everyday negotiations of consumption meanings among equally influential, individual consumers.

To best reveal the cultural grounds and social practices of consumer-consumer conflicts, we offer the concept of "contested consumption." Contested consumption comprises a set of influential interactive practices by which consumers explicitly challenge and critique each other's consumption choices, behaviors, and ideologies. Central to understanding these processes is the existence, perception, and enforcement of power in social relationships. We use the Foucaultian idea of power as "multiple and mobile field[s] of force relations" (1980, p. 102) in order to reveal the motivations for contestation and discuss the structuring influences of the phenomenon within a larger consumer cultural context.

This research reveals two vital discourses-authenticity and sociality–in the ideological realm of which consumers negotiate the legitimacy of Hummer ownership. These discourses also draw from and contribute to a multitude of dialectical tensions, including individualism vs. collectivism (Triandis 1985), open vs. closed (Pitt et al. 2006), sharing vs. owning (Giesler 2008), or modesty vs. conspicuity (Veblen [1899] 1927), that provide further ideological grounds for the Hummer conflict in the American culture. The practice of contested consumption comprises five expressive forms of contestation that Hummer owners and adversaries evolve for achieving ideological predominance in their respective cause: vigilant justice, insult, discredit, ridicule and instruction. These forms differ by their directness of contestation and explicitness of formulation.

In summary, the analysis reveals classic, but previously unexplored practices of consumer antagonism that offer valuable insights into the creation and proliferation of ideology, culture, and brand meaning from a consumer perspective. Previous research has located antagonistic consumer behaviors exclusively within consumer-versus-producer domains (Klein 1999; Kozinets and Handelman 2004). Our study illuminates that consumerist action also resides within the mundane everyday contestations among people that are endowed with similar social and economic capital but pursue different ideological agendas.

The Hummer case illuminates that consumers defend and reinforce their ideas of a desirable market culture not only by throwing stones at Nike store windows or symbolically burning wooden men at distant desert festivals, but also and even more by passionately contesting the behaviors of individuals that transgress their perceived boundaries of legitimacy in everyday life. In addition, what has previously been theorized as a domain of leftist and somewhat more enlightened elitist consumer activists (cf. Thompson 2004), appears as a more profane practice in the light of the Hummer case. Consumerism can no longer be viewed as the exclusive domain of committed individuals such as Naomi Klein (1999) or Noreena Hertz (2001) who dedicate their lives to consumerism and possess particular expert knowledge, but as a continuum of cultural influences beginning with the practices of ordinary people expressing their beliefs by insulting Hummer owners or discrediting Toyota Prius owners in turn.

Our empirical account of contested consumption is a preliminary one. We hope that the present study will inspire fellow researchers to inquire deeper into the dynamics of the phenomenon in various social and cultural contexts in order to refine the concept and test the integrity of the findings.

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# Choice with Inference is Different From Choice without Inference

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## EXTENDED ABSTRACT

Products and services are seldom described completely; therefore, consumers often need to form inferences that go beyond the information given (Kardes et al 2004). Some researchers have argued consumers do not form inferences in many situations even if it is logical to do so (Simmons and Lynch 1991). Others have suggested ways that consumers make inferences such as using other available attributes for the given brand (within-brand processing) or comparing the same attribute among other brands in the choice set (across-brand processing). In one stream of research, respondents were typically given a single product option with a number of attributes, one of which was missing. The inferences they provided for the missing value were compared with available attributes within-brand and the inference making processes were modeled based on the existing information about the target product (e.g., Johnson and Levin 1985). In another stream of research, participants were given multiple choice options one of which had a missing attribute. Participants' inferences for that missing value were compared to the available values for the same attribute in other choice options (e.g. Huber and McCann 1982; Ross and Creyer 1992).

Both streams of research developed important insights for inference making, such as the models that explain the effects of available attributes and the discounting of inferences. On the other hand, an implicit assumption has been that forcing participants to make explicit inferences leads to the same process as not prompting decision makers to infer missing attribute values. Would people make the same choices if they were not required to make explicit inferences? The focus of past studies has been on the inferred values solicited from research participants, whereas the effects of missing information and being asked to make inferences about them on decision outcomes have largely been overlooked. How does making inferences about missing attributes change consumers' perceptions of the options in a choice set and affect the final decisions compared to when they are not required to make inferences during their choice process? Do explicit inferences make it harder or easier for consumers to choose? Does prompting inferences lead to a more analytical processing style? How do consumers make inferences if there are multiple missing attributes for multiple product options?

Another potentially important factor that has not been considered in the inference making literature is that consumers in the market place usually have the option of not selecting any of the available alternatives. Do inferences affect indecisiveness (lack of choice)? These are the questions this manuscript seeks to address. Our research is an important attempt to discover the differences of choice made with prompted inferences from choice without prompted inferences and investigate the above questions. Drawing on the inference making and the missing information literature, we conduct three experimental studies to investigate the effects of multiple inferences in multi-attribute, multi-product choice environments. We also compare the forced choice situations that dominate the literature with more realistic conditions in which a no choice option is available. Our findings contribute to past literature by providing a better understanding of the inference making process in more complicated choice situations and by demonstrating the important consequences of inferences for consumer choices.

In study 1, missing attribute information and inference making were manipulated. The choice sets consisted of product-attribute matrices for three product categories. A different attribute was missing for each of the three options in all product categories. Participants were randomly assigned to two conditions. Those in the *Non-prompted Inference* condition were simply asked to make choices, whereas those in the *Prompted Inference* condition were asked to make inferences for missing attribute values before making choices. Results indicated that choices made after inferences were significantly different from choices made without inferences. Assigning different values to missing attributes significantly decreased perceived choice difficulty, increased attractiveness of chosen options and decreased the focus on availability (absence) of important attributes as a reason for (not) choosing particular options. In addition, inferences made across brands for different attributes were significantly correlated with each other suggesting that participants have used a combination of within-brand and across-brand processing strategy.

In study 2, an identical design was used with one exception. Besides the three options in each choice set, a "no choice option" was included, such that participants also had the alternative of not choosing any of the options as in real purchase situations. Results showed that being asked to make explicit inferences significantly decreased the selection of the "no choice option" (indecisiveness) as well as reducing perceived difficulty of decisions for all product categories. Finally, study 3 replicated the findings in the previous studies and verbal protocols collected in study shed light into the underlying process and provided more direct support for predictions.

Our research has an important role in integrating past studies on inference making based on alternative-based and attribute-based processing. We used a more complex choice environment with multiple missing attributes for multiple brands from a diverse set of product categories. Inferences about missing attributes are not only affected by other available attributes for the same brand and by the same attribute for different brands but also by other attributes for the other brands in the choice set. In addition to providing a better understanding of the nature of the inference making process, a major contribution of our research is that it demonstrates the important consequences of making explicit inferences. While our introduction of a no choice option increased the realism of decision context, more importantly, it allowed us to observe that making inferences reduced the tendency to select the no choice option. Given the prevalence of missing information in online shopping environments, there are important opportunities for marketers to manipulate choice sets or design advertising messages that encourage consumers to make inferences and thereby increase the probability of purchase decisions.

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# Effects of Two Dimensions of Psychological Distance on Consumer Judgments

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## EXTENDED ABSTRACT

Imagine that you are planning a trip to Las Vegas for the coming weekend and are reading some reviews on a particular hotel written by other travellers on an on-line forum. Will the identity of the reviewer (e.g., someone with the same occupation as you or someone from a different walk of life) influence your judgments of the hotel? How would your reactions be different if you are planning a trip in six months from now instead? Prior research on construal level theory (CLT) suggests that an individual's judgment of an event (e.g., hotel) is contingent on the psychological distance from the event (e.g., whether it is temporally near or distant; Liberman, Sagristano, and Trope 2002; Trope and Liberman 2003). According to CLT, individuals represent psychologically proximal events in low-level construals, whereas they represent psychologically distal events in high-level construals. These differences in the construals of events lead to differences in individuals' evaluations of the events. However, the prior research on construal level theory has focused only on a *single* dimension of psychological distance; little, if any has examined how *multiple* dimensions interact to influence individuals' evaluations. In the present paper, we extend the CLT literature by investigating how these two dimensions of psychological distance, namely, temporal and social distance will influence consumers' evaluations of events and products.

We examined three possible alternative accounts concerning the effect of two dimensions of psychological distance (representational account, anchoring account, and mental distance account) and tested these accounts in three experiments. Specifically, in experiment 1, we manipulated social distance of an event (i.e., an event occurs to self vs. to an unknown person) first and temporal distance (event for tomorrow vs. one year later) second, and investigated the effects on a variety of decision making situations. In experiment 2, we adopted a different manipulation of social distance (i.e., in-group vs. out-group) and examined the effects of two dimensions on consumers' evaluations of a new product. In experiment 3, we changed the order in which the two psychological distance dimensions were induced. We manipulated the temporal distance first, followed by the social distance. Converging evidence, which strongly supported the mental account distance account, emerged across the three experiments, with different manipulation methods, different orders of manipulations, and different stimuli.

The mental distance account posits that when two dimensions of psychological distance (e.g., temporal and social distance) are involved in a decision situation, these two dimensions would interactively affect the perceived distance of an event along an individual's mental distance horizon, which in turn will influence construals and evaluations of the event. Specifically, when both of the two dimensions are proximal, the event will be perceived as proximal and construed at low-level construals, resulting in evaluations more consistent with the value associated with low-level construals. However, when either one of the dimensions is psychologically distal, the event will be perceived as distal and construed at high-level construals, resulting in evaluations more consistent with the value associated with high-level construals. Therefore, the well-documented effects of a single psychological distance dimension on event construals will only hold when the other dimension is psychologically proximal.

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# Feast or Famine: How Expectations Polarize Judgments of Ambiguous Alternative Set Sizes

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## EXTENDED ABSTRACT

The current proliferation of online storefronts and inventory customization techniques make judgments of choice set size increasingly difficult. As choice set size becomes ambiguous, the role of expectations in determining consumers' actual set size perceptions becomes increasingly important. This paper explores into how set-size expectations impact set-size judgments for various-sized alternative sets, and how the role of expectations is constrained to ambiguous sets where expectations serve as the major cue for set-size judgments. Are judgments of variety malleable, or does objective experience dominate once consumers are presented with the actual consideration set?

We propose that expectations are especially important when it is difficult to objectively judge the size of the choice set. When a choice set is truly limited and sparse, or overwhelmingly extensive, the reality of the choice set should overpower any incorrect expectations and the set size should be perceived accurately. In contrast, a moderately-sized set is at neither size extreme, and thus more difficult to judge. Expectations, then, can serve as a highly salient cue with which ambiguous choice sets can be evaluated.

Prior research suggests that expectations tend to negatively bias shopping experiences, and expectations tend towards contrast rather than assimilation, especially when the expectations are directly relevant to the target category. In light of these findings, we propose that when consumers are presented with a limited or extensive choice set, however, expectations will have no effect on set-size judgments. But when consumers are presented with a moderate alternative set, set size judgments will exhibit expectation contrast regardless of whether the expectations were for a limited or extensive set. In short, the reactions to a moderate alternative set given prior expectations should follow a "mirrored" pattern: consumers expecting a large set should perceive a moderate set as similar to a limited set, while consumers expecting a limited set should perceive a moderate set similarly to an extensive set.

To test these propositions, an online choice study was conducted using choice sets of digital cameras at a fictitious online electronics store. Expectations were manipulated by telling participants to expect either a very limited or very extensive set, then participants presented with a choice set of either four, twelve, or twenty-four cameras. Six separate websites were created to ensure that subjects did not see the stimuli from other conditions, and attribute scores ensured no camera was strictly dominant. After choosing a camera, participants entered measures as to how restrictive and overwhelming they perceived the set to be, as well as measures of set completeness and error likelihood.

An ANOVA revealed a main effect for expectations on the outcome variables. Participants who expected an extensive set viewed their alternative sets as significantly more incomplete, more restrictive, less overwhelming, and felt they were significantly less likely to make an error in choice than participants who expected a sparse set. So overall, extensive expectation participants felt their sets were more limiting, while limited expectation participants felt their sets were more extensive.

The analysis also revealed an important significant expectation by set-size interaction effect. Consistent with propositions, the effect of expectations is largely confined to the moderate set size. When the actual set size was limited or extensive, no significant differences were revealed between extensive and limited expectations conditions on any DV in planned-contrast t-tests. When the actual set-size was moderate, however, those expecting a limited set viewed the moderate set as significantly more overwhelming, less restrictive, and more complete, but found the choice more difficult and were more concerned that they had chosen suboptimally when compared with those expecting an extensive set.

The results support the propositions: expectations of set size significantly affect ambiguous set perceptions, but have little effect when the presented set is actually limited or extensive. The ambiguous set appears to disconfirm expectations regardless of whether they were for an extensive or limited set; those expecting a limited set view the moderate set as extensive while those expecting an extensive set view the moderate set as limited. This carries beyond perceptions of the set, and impacts judgments of choice difficulty, frustration, and error likelihood.

In order to attempt to tease apart ambiguity from set size, a follow-up study utilized only the moderate level of alternatives. Online digital camera choice sets were retained as the stimuli. Expectations were manipulated by telling the participants to expect a limited set, a sparse set, or telling them nothing. Ambiguity was then manipulated by introducing a set size descriptor to the top of the camera set labeled as limited, labeled as extensive, or not labeled.

An ANOVA reveals that participants in the extensive set descriptor condition perceived the moderate choice set as significantly more overwhelming and significantly less restrictive than participants in the limited set descriptor condition regardless of expectations. Both the limited and extensive set descriptor conditions were also each marginally different from the no descriptor control condition in the expected directions. In contrast, the difference between the limited and extensive set expectation conditions for feeling restricted or overwhelmed by the set size was only significant in the no set descriptor condition. When a set descriptor was present, participants rated the set in line with the descriptor and expectations had no significant effect upon set size judgments. These results are consistent with the proposition that expectations only play a role in set-size evaluations when the set is ambiguous. By giving participants an external size descriptor, expectation effects were reduced to insignificance.

In summary, expectations of limited or extensive set sizes had little effect on evaluations of actually limited or extensive sets. But when the choice set was of ambiguous size, participants expecting either a limited or extensive set exhibited expectation contrast rather than assimilation. Extensive expectations made the moderate set appear limited while limited expectations made the moderate set appear extensive. A second study focused on the moderate set size, and showed that decreasing the ambiguity of the set by directly labeling it as sparse or extensive significantly decreased the effect of expectations on set-size evaluations.

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# The Learning (and not) of Effort and Accuracy Tradeoffs

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## EXTENDED ABSTRACT

For obvious reasons, deciding on a house is likely to inspire more deliberation than deciding on a brand of peanut butter. But precisely how much or how little cognitive effort should an individual invest in either of these decisions? Answering that question requires consideration of multiple factors, including the relative utilities of the available products, the cost of cognitive effort (both in negative utility of thinking and in opportunity cost terms), etc. It is a complex optimization problem that is also fundamental—decision makers have to solve it hundreds of times a day.

Despite its fundamental nature, we still know relatively little about how this metacognitive decision input develops. Existing frameworks dealing with effort and accuracy tradeoffs come with no formalized knowledge about how decision makers determine the precise amount of cognitive effort merited by a decision task, much less how they learn to map that given level of desired effort and accuracy onto the correct decision strategy (Beach and Mitchell 1978; Payne, Bettman, and Johnson 1988). Instead, they seem to imply that, where this learning is necessary, it takes place quickly and without detriment to the decision process.

This research proposes an alternate hypothesis. Adapting to a change in task constraints requires metacognitive learning on multiple fronts. First, the decision maker may not immediately know the extent to which a constraint change affects the desired balance of effort and accuracy. The effort and accuracy goals from the decision maker's first encounter(s) with a decision task will form an anchor from which goals will be adjusted to account for the task constraint change. The use of the anchoring and adjustment mechanism should result in the expected underadjustment of effort and accuracy goals, which will result in poor adaptation to the constraint changes (Epley and Gilovich 2001; Tversky and Kahneman 1974). I call this contributor to poor adaptation *goal persistence*.

Second, the mapping of a new effort-accuracy level to an available decision strategy may also require learning. Studies of decision strategy selection in the multi-cue probability learning literature show that changes to a cue environment often cause perseveration—that is, the continued use of an ill-suited strategy, even when the participant has received explicit feedback that the cue is invalid (Restle 1962). This perseveration is likely also to occur in the strategy selection phase when a change in the decision environment requires the selection of a new decision strategy. This is called *biased selection*, as the perseverative tendency biases the selection of an appropriate decision strategy.

Third, the fuzzy nature of the feedback in this domain might serve to reinforce rather than correct poor adaptation. Effort, as measured by duration of time, is a perceptual continuum known to display a number of distorting biases documented in the psychophysical literature (Stevens 1957). Chief among these biases, at least for the current research, is perceptual distortion (Sherif, Taub, and Hovland 1958). This *scale distortion* causes poor adaptation to a decision task constraint change because insufficient adjustments to the accuracy and effort levels will be evaluated as sufficient due to skewing of the evaluation scale by prior experience.

Thus, I hypothesize that decision makers will adapt poorly to task constraint changes. The core contribution of this research is the discovery of the nature of this poor adaptation as well as its multiple contributing mechanisms. The following hypotheses result:

$H_{1a}$: If a new constraint increases desired accuracy or decreases desired efficiency, decision makers will be less accurate and more efficient than a control.

$H_{1b}$: If a new constraint decreases desired accuracy or increases desired efficiency, decision makers will be more accurate and less efficient than a control.

$H_2$: Constraint changers will perform worse than the appropriate control group.

$H_3$: Goal persistence causes underadjustment of relative goal strengths.

$H_4$: Biased selection causes use of previous (and poorly suited) decision strategies.

$H_5$: Scale distortion exaggerates the perceived size of effort and accuracy adjustments.

All three studies utilize a similar experimental paradigm. Participants make evaluations of product prices that are knowable, but whose solutions are cognitively taxing and thus amenable to the use of shortcut heuristics. In study 1, participants attempted to identify the least expensive of three two-part tariff pricing plans, like those used by cell phone companies. In studies 2 and 3, participants saw a list of prices from four different retailers for five separate products and attempted to identify the retailer offering the lowest overall price for the five products.

In all studies, participants were rewarded based both on the total number of correct evaluations and the percentage of correct evaluations. Participants were self-paced, making as many or as few evaluations as they wished. Incentive schemes were created that would encourage either fast, heuristic-based evaluations or slow, careful evaluations. After some experience under one incentive scheme, participants moved to the opposite incentive scheme. In all three studies, participants who moved from the fast to the slow constraint made decisions more quickly than a control group, while those moving from slow to fast constraint made decisions more slowly than a control, as predicted by hypothesis 1. In study 1, this bias resulted in lower earnings for constraint changers than the appropriate control, confirming hypothesis 2.

In study 1, participants evaluated their perceived effort and accuracy between each phase of evaluations. Consistent with hypothesis 5, scale distortion, perceptions of both effort and accuracy were significantly distorted by previous experience. In study 2, the initial incentive scheme caused the stronger goal (accuracy maximization or effort minimization) to affect unrelated decisions after the experimental task, consistent with hypothesis 3, goal persistence. In study 3, process tracing methods demonstrated that after a constraint change, participants continued to utilize previous processing patterns, consistent with hypothesis 4, biased selection.

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# The Global Brand's Meaning Mélange: Seeking Home Abroad through Global Brands

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## EXTENDED ABSTRACT

The importance of standardizing a brand by using a uniform visual identity and establishing a consistent global brand image has been reinforced as it is recognized that consumers have become increasingly mobile and encounter global brands in markets other than their home culture (Matthiesen and Phau 2005). In the brand management literature, it is generally recommended to use a common marketing platform including consistent brand names and symbols so that the brand and its marketing communication is instantly recognized by consumers who are traveling to different countries (Aaker and Joachimsthaler 2000, p. 307; Kapferer 2004, p. 402). The conventional wisdom is that when a brand is consistently executed across markets, it evokes a consistent set of brand associations which helps to maintain consistency of brand image (Keller 2003, p. 684).

Although this viewpoint may have intuitive appeal, a review of previous research reveals that the link between a brand's common marketing platform and a consumer's development of a consistent brand image for a brand that is consumed in multiple cultural locales has not been empirically studied. As well as assuming that standardized global brands deliver identical values when consumed across markets we could anticipate that consumers value global brands differently in unfamiliar cultural settings because they offer a sense of order and predictability. This suggests that when consumers travel or temporarily cross cultures (Davies and Fitchett 2004), the cultural context has a profound impact on the symbolic meaning evoked by the brand (Eckhardt and Houston 2002; Miller 1998). The purpose of this study is to explore the multidimensionality of global brand meaning and develop an understanding of consumers' meaning development for standardized global brands consumed in multiple cultural locales.

The empirical data for this study consists of accounts of U.S. residing consumers' experiences of either Starbucks or McDonald's both at home and when traveling in China. Our informants are 29 entry and mid-level professionals enrolled in graduate business programs at a university in United States. Data collection took place before, during, and after the informants made a two week trip to Beijing and Shanghai as part of courses in doing business in China. The empirical material was gathered through a number of techniques including personal reflection essays about the brand before they traveled, journals of food consumption while in China, and visits to the study-site documented using photographs taken by the informants, and in-depth interviews using photo-elicitation when they returned (Heisley and Levy 1991). All interviews were recorded and transcribed verbatim. The transcripts were analyzed using a hermeneutic approach as laid out by Thompson (1997).

The study shows that when consumers cross cultures and experience global brands in milieus different from their everyday consumption context, global brands take on new meanings despite the standardization of the marketing platform as perceived by the consumers. Our findings challenge conventional thinking in brand management and revise the theoretical notion that standardized global brands generate consistent brand images when experienced in different cultural locales. It is apparent that oftentimes the brands take on new symbolic roles helping consumers to cope with the uncertainties of the cultural contexs. Sometimes, encountering Starbucks and McDonald's in China triggers a meaning that is diametrical to the meaning ascribed to the brand in the U.S. Thus, the prevailing assumption that consistently executed brands generate consistent brand images does not hold true. When consumed in China, the brands evoke meanings of comfort and predictability and offer an instant symbolic connection to the individual's everyday consumption context.

Our study lends support to the contention that consumers ascribe contextualized meanings to brands, shaped by the cultural context in which the consumption occurs (Kleine and Kernan 1991). This means that a consumer can be negatively (positively) oriented towards a brand in the everyday consumption context and be favorable (unfavorable) towards the brand when consumed in an unfamiliar cultural locale. It is evident that even when the brand platform is consistently executed across markets, consumers activate multiple meanings for global brands. This meaning discrepancy suggests that global brand images can be construed as a meaning mélange that through its consistent inconsistency captures the different values and meanings consumers seek from a brand in the various cultural contexts in which it is consumed. The role of marketplace cultures and brands for consumer identity projects has been an important avenue in CCT research. We contribute to this line of research by illustrating that brands can provide relief from the uncertainties of unfamiliar cultural contexts and evoke meanings of home. This finding highlights an important, yet unknown role of brands.

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# Do Sales Promotions Necessarily Erode Brand Equity? Maybe Not

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## EXTENDED ABSTRACT

### Introduction

Sales promotions are generally seen as detrimental to brand equity, even though they produce positive impact on sales and revenue (Winer 1986, Mela, Gupta and Lehmann 1997). Contrary to research evidence that sales promotions erode brand equity, the ratio of advertisements to sales promotion in the IMC budgets of companies, which was heavily skewed towards ads earlier, has now shifted towards promotions (Spethman 1998, Joyce 2006). This widespread usage of sales promotions by the industry, despite the conflicting research findings forms the background for this paper.

### Conceptual Framework

One way of classification of promotions is into consumer franchise building (CFB) and consumer non-franchise building (Non CFB) promotions (Belch and Belch 2004). CFB promotions communicate distinctive brand attributes and contribute to the development and reinforcement of brand identity while non CFB promotions try to generate immediate sales or shorten the buying decision.

CFB promotions would thus contribute to the development of brand equity, while non CFB promotions could reduce it as the focus is to provide incentives for buying now, without considering brand development. However, this need not be true always, as different customer groups have different individual characteristics and purchase intentions and thus may not always be influenced by the above logic. In addition to customer-related factors like personality traits and purchase motivations, there are other factors too that make the customers develop positive evaluations of the brand, leading to higher brand equity during non CFB promotions.

Individuals with high levels of deal proneness respond more to deals and they are seen more appreciative of promotions than low deal prone customers (d'Astous and Jacob 2002). Involvement is the subjective perception of the personal relevance of an object to an individual. Highly involved customers relate to a product as a part of their lifestyle and are likely to learn more about the product category and search more during their purchase processes. They pay more attention to the product's ads and read and cognitively process the fine print (Lockshin and Spawton 2001). Advertising affects brand equity through brand associations and perceived quality. Perceived advertising spending contributes to brand equity (Villarejo-Ramos and Sanchez-Franco 2005). Advertising also increases product knowledge of customers. Therefore, we hypothesized that brand equity would be different in customer segments with high and low levels of deal proneness and involvement and when the product is supported with high and low levels of advertising.

### Methodology

Two experiments were conducted to test these hypotheses in which students at graduate level participated. Brand equity, deal proneness and involvement were measured using standard scales. Experiment 1 was based on a 2 x 2 factorial design where respondents were exposed to two types of promotions (CFB and non CFB) and two levels (high and low) of involvement. The second study also had a 2 x 2 design with two levels of promotions and two levels of advertising (high and low).

### Results and Discussion

We found that at high levels of deal proneness and involvement and at low levels of advertisement support, non CFB promotions lead to higher brand equity.

This study would be one of the pioneering efforts to investigate the positive impacts of sales promotions on brand equity. The reasons for increased promotional spending by companies, as mentioned earlier, could be due the presence of large numbers of high deal prone and high involvement customers and the high levels of ad spending by companies.

In sum, it is the characteristics of the market and the marketing actions taken by the company that decide whether CFB or non CFB promotions will contribute to building brand equity, and not just the promotion, as believed earlier.

### Future Research

This research has studied sales promotions by classifying it into CFB and non CFB promotions. Future works can find out the effect of each type of promotion on brand equity, including at different levels of discounts offered.

Study on the differential impact of promotions on dominant and non dominant brands and customers with differing loyalty levels can also be taken up. Culture could significantly influence the results and hence the study may be replicated in different cultural settings to find the respective effects.

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# The Effects of Centrality and Distinctiveness on the Usage of Co-promotions

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## EXTENDED ABSTRACT

Co-promotion coupons have become popular as marketers manipulate tight promotional budgets to cope with increasing clutter (Varadarajan, 1986). Examples of co-promotions include saving $1 with the purchase of two packages of Keebler Sandies Cookies and 1 jar of Taster's Choice Coffee; and getting Campbell's Chicken Noodle Soup free with the purchase of two packages of Oscar Mayer Cold Cuts. The basic idea behind such a promotion is to use the target market and equity of each partner brand to increase the sales of both.

Although co-promotions share some features of brand alliances, most of the literature on alliances has focused on corporate alliances and co-branding in the context of services and durables. There is little theoretical literature about factors that may influence co-promotions of frequently purchased products. In this paper, we examine factors that affect the impact of co-promotion coupons on consumers' usage intention. We focus on co-promotion at the product rather than brand level and address the specific question of how managers may evaluate which product category to partner with in a co-promotion.

Using schema theory, we suggest that consumers may evaluate co-promotion coupons in the context of a given usage situation, e.g., Thanksgiving dinner, birthday party, coffee time. We propose that when prompted with usage situations, consumers will have higher usage intention for co-promotion coupons that belong to the same usage situation than co-promotion coupons that do not belong to same usage situation. Moreover, we propose that the effectiveness of a co-promotion will be a function of two aspects of the promoted product categories: 1) centrality, which refers to importance; and 2) distinctiveness, which refers to uniqueness (Galambos, 1986). For example a shopping goal for Thanksgiving Dinner may activate turkey and vegetables (corn and beans) as highly central products. The centrality of a product provides direct access during the encoding of material to be remembered and during production of that material (Nottenburg and Shoben, 1980; Galambos and Rips, 1982) and this accessibility may help with retrieval and choice (Nedungadi, 1990). Therefore, co-promotion coupons with central products will have a higher chance of being preferred than those with noncentral products. Similarly, if a usage situation schema is activated and a coupon is encountered, distinctive products will associate with the activated usage situation easier than they associate with another usage situation. This match is expected to create a positive feeling which then may reflect on the intention of the consumer to use the coupon.

We predict that effective co-promotion coupons will involve partners that are either high on centrality or distinctiveness, and that distinctiveness can make up for low centrality. Specifically, we predict that when the centrality of one of the partner products is low, higher distinctiveness will lead to higher usage intentions.

These predictions are tested in a 2 (Focal Product Centrality: high vs. low) X 2 (Partner Product Centrality: high vs. low) X 2 (Partner Product Distinctiveness: high vs. low) between subjects design. Subjects were 204 students randomly assigned to conditions. Centrality and distinctiveness of products in a Thanksgiving dinner usage schema were manipulated, and coupon usage intention and complementarity were measured.

A 2 X 2 X 2 ANOVA revealed significant main effects of Focal Product Centrality ($F_{(7, 184)} = 124.65$, $p < .0001$), Partner Centrality ($F_{(7, 184)} = 105.50$, $p < .0001$), and Distinctiveness ($F_{(7, 184)} = 17.20$, $p < .0001$), as well as a significant three-way interaction ($F_{(7, 184)} = 9.7$, $p < .05$). The significant main effects showed that use intentions for co-promotion coupons were higher when the centrality of the focal product on the coupon was high rather than low (MFC= 5.82 vs. MFN= 4.00), when the centrality of the partner product was high rather than low (MPC= 5.75 vs. MPN= 4.07) and when the distinctiveness of the partner product was high rather than low (MPD= 5.25 vs. MPN= 4.57).

The three-way interaction was consistent with our predictions. When centrality of one of the products was low, high distinctiveness led to higher usage intentions than did low distinctiveness. Specifically, usage intentions were higher when a central focal product was partnered with a non central partner who was distinctive than non distinctive [MCND=5.67; MCNN=4.54, $F_{(1,184)}=11.87$, $p<.001$]. Similarly, usage intentions were higher when a non-central focal product was partnered with a central partner who was distinctive than non distinctive [MNCD=5.58 MNCN=4.33; $F_{(1,184)}=14.65$, both $p<.001$].

Finally, complementarity did not account for the effects, suggesting that the effects of centrality and distinctiveness are separate from the effects of perceived fit. This is one of the theoretical contributions of the paper.

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# Brand Visualization: Effects of 'Product Shape-Typeface Design' Congruence on Brand Perceptions and Price Expectations

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## EXTENDED ABSTRACT

Research indicates that congruence, as opposed to incongruence, of symbolic meanings connoted across or within marketing mix elements positively affects consumer response (Bottomley and Doyle 2006; Erdem and Swait 1988, 1994). However, controlled studies addressing congruence effects of visual product features are non-existent. Since products comprise multiple visual 'channels' (e.g., shape and typeface) through which symbolic meanings are communicated, and considering that a product's visual appearance is the most important determinant of consumer choice (Bloch 1995), such studies are called for. Hence, two studies were conducted addressing effects of congruence of symbolic meanings connoted across shape and typeface of a fictitious brand of bottled waters on brand perceptions and price expectations.

In accounting for effects of various forms of congruence on consumer response, recent theorizing on processing fluency is insightful. According to such accounts, stimuli that can be easily processed are generally evaluated in positive terms and inspire favorable attitudes (Lee and Labroo 2004; Reber, Schwarz, and Winkielman 2004). The basis for these effects can be traced to the finding that fluent processing is experienced as positive (Reber et al. 2004). Of particular relevance for the present context is the finding that fluent stimuli are experienced as more credible or true (Reber and Schwarz 1999; Unkelbach 2007) and aesthetically pleasing (Reber et al. 2004) than non-fluent stimuli.

As for product appearance, perceived congruence of symbolic meanings connoted across visual product features is expected to facilitate processing. Arguably, products high in congruence facilitate impression formation, as opposed to products low in congruence. In line with the claim that fluent processing generally inspires favorable product evaluations (Lee and Labroo 2004), and the finding that symbolic qualities expressed through product appearance steer brand perception (Childers and Jass 2002), shape-typeface congruence, as opposed to shape-typeface incongruence, is expected to positively impact perceptions of the corresponding brand.

In line with processing fluency accounts, a particular type of brand perception that should benefit from fluent processing concerns perceptions of brand credibility, i.e., the believability of the product information contained in the brand. Hence, products high in shape-typeface congruence should elicit ratings of the corresponding brand as more credible than products low in shape-typeface congruence. Elsewhere, it has been proposed that brand credibility is an important determinant of consumer-based brand equity (Erdem and Swait 1998), defined as the value of a brand to consumers (Keller 1993). Since product- or brand value is, among others, reflected in product price, it is expected that shape-typeface congruence positively affects price expectations via perceptions of brand credibility. These predictions were tested in study 1.

Study 2 tested the proposed relation between congruence and perceptions of brand aesthetics. Based on the finding that processing fluency positively affects aesthetic responses (Reber et al. 2004), it is expected that congruent, as opposed to incongruent, products trigger perceptions of the corresponding brand as higher in aesthetic value. In addition, study 2 sought to replicate the effect of shape-typeface congruence on price expectations using another set of stimuli.

In study 1, two shape variants and two typeface variants of a fictitious brand of bottled waters connoted either *luxury* or *casualness*, effects confirmed by a pretest. Cross pairing the two shapes with the two typefaces resulted in two congruent variants (shape and typeface both connoting *luxury*, or shape and typeface both connoting *casualness*) and two incongruent variants (product shape connoting *luxury* and typeface connoting *casualness*, or vice versa). One hundred and forty-four undergraduate students were randomly presented with a congruent or incongruent product variant, after which they filled out a measure of brand credibility. Price expectations were assessed by prompting participants to indicate what they thought would be the average price of the product presented (in Euro-cents) at supermarkets. Results showed that the two congruent product variants induced, as expected, higher perceptions of brand credibility and higher price expectations than the two incongruent variants. The expected mediation of the latter effect by perceived brand credibility was not confirmed.

In study 2, the proposed relation between shape-typeface congruence and perceived brand aesthetics was tested. In addition, study 2 sought to replicate the effect of shape-typeface congruence on price expectations with another set of stimuli. This time, the two shape and the two typeface variants (again using the same fictitious brand of bottled waters) either connoted *masculinity* or *femininity*. Similar to study 1, two congruent product variants and two incongruent variants were created by cross pairing the two shape and the two typeface manipulations. One hundred and twenty-six undergraduate students were randomly presented with a congruent or incongruent product variant, after which they filled out a measure of perceived brand aesthetics. As in study 1, price expectations were assessed by prompting participants to indicate what they thought would be the average price of the product presented (in Euro-cents) at supermarkets.

Although congruence effects were stronger for the feminine typeface variant than for the masculine typeface variant (indicating that the feminine typeface induced higher price expectations and higher ratings on perceived brand aesthetics than the masculine typeface), results showed, as in study 1, overall positive effects of congruence on both measures. Mediation analysis showed that congruence affects price expectations via perceived brand aesthetics, indicating that aesthetic value is not just an important determinant of consumer choice (Creusen and Schoormans 2005), but may also contribute to commercial success by shaping price expectations.

In addition, the findings presented suggest that shape-typeface congruence facilitates processing. Future research should incorporate more direct measures of processing fluency (e.g., reaction speed), and establish how fluency can be related to 'design principles' other than shape-typeface congruence. To further elucidate the described mediation, measures of brand aesthetics and brand credibility should be incorporated in the same study. Finally, future research should address effects of variations in product design on perceptions of existing brands characterized by a relatively stable brand image, usually the resultant of many more factors besides product appearance. Awaiting research addressing these issues, in the meantime, our results underscore the importance of controlled studies addressing effects of product design on consumer response.

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# Remembering Words and Brands after a Perception of Discrepancy

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## EXTENDED ABSTRACT

Online advertising has grown at a tremendous rate in the last few years. Banner advertising is the most common form of online advertising and is found on most if not all websites. Typically a panel is displayed either at the top or the bottom, or at either side, of a website, displaying various advertisements that change from time to time. One example reads "Unlimited local and long distance calling from VONAGE", appearing for only 4 seconds. How is it then that viewers would remember VONAGE given such a short duration of exposure? Many theories of memory are based on studies that examine accuracy towards targets. More recently, marketers have begun to consider the phenomenological aspects of memory, which lead to illusions of recognition towards brands, as would be the case if a consumer would recollect "AT&T" after seeing a VONAGE ad (see Kronlund, Yoon, and Wagner 2007 for a retrospective).

We examined the consequences of experiencing what we call a "perception of discrepancy" on later interactions with the same stimuli. By this, we mean a <u>perception</u> of a mismatch in cognitive processing. This is why we speak of a 'perception' of discrepancy, rather than 'discrepancy' alone. The term we use is not meant to describe the stimulus (a 'discrepant' stimulus, such as "Starbucks" would not be expected in the example above), rather, it is meant to describe the subjective feeling of surprise, arising from some sort of uncertainty given the context. We experimentally create surprise by placing a brief pause between the stem and brand.

We employed the stem-completion method (Whittlesea and Williams 2001), whereby we presented a high constraint stem with a brief pause, and target item, during exposure. To illustrate: "unlimited local and long distance calling" was presented for 3 seconds; before presenting VONAGE, allowing a brief pause between the stem and brand. We argue that the high constraint stem causes one to develop an indefinite expectation, or a readiness to incorporate one of a restricted number of concepts (without projecting a specific target). The pause causes a fleeting sense of uncertainty (a realization that one does not know exactly what is coming). This experience causes the target, when shown, to feel surprisingly well fitting.

This type of exposure acts to increase attention towards the target, allowing it to be remembered more accurately later (experiments 1 and 2), even though the recognition test target word was shown in isolation, and so did not have an additional cue to help reinstate the encoding process. Our results add to the literature (e.g., previous work by Kronlund and Whittlesea 2006) by demonstrating that the pause effect is due to the combination of an indefinite expectation, uncertainty and surprising resolution, or what we call the "perception of discrepancy", and the perception of discrepancy is a powerful source of learning key words and brand names in ads.

The effects of the pause caused participants to be more likely to accurately claim to have seen the brand once in experiments 1 and 2. In experiment 3 we presented brands with stems either once or repeated after viewing other brands with stems. A different process occurred in experiment 3: During the second presentation of a brand in an ad (e.g., seeing the VONAGE ad for the second time), even with a pause, the person forms a *definite* expectation of a schema for that brand category, or a specific projection of which brand is about to be shown. The pause then contributes to this learning experience by allowing the participant the opportunity to actually generate that brand (an act that is verified by the presentation of the target brand a moment later). This act of generation allows them to realize, at the moment of generation during the second exposure presentation, that they are experiencing this brand for the second time, encoding the brand *as* a repetition, which would make it much easier to remember that brand.

Our findings introduce the notion that marketers should consider the basic cognitive processes that consumers use when reading such ads containing written sentences ending with key words (e.g., MINIVAN), or brand names (e.g., WINDSTAR). This is especially important in light of recent trends for traditional ad agencies offering "automated ad creation": Omnicom Group offers automotive advertisers a "Pick 'n' Click" option to tailor their messages. A recent television spot for the Toyota Camry provides an example of an ad employing a written sentence stem to present the brand name in question. At the end of each spot of the campaign, the words "The modern family sedan" appear, and following a brief pause, the brand name "CAMRY" appears adjacent to the sentence stem. Both the stem and the brand name are presented in silence, allowing viewers of the ad to read it, to encode the brand in a way that can later be remembered. We suggest that the optimal exposure method, given only about 4 seconds, would be to present the stem, followed by a brief pause, and end with the target. These conditions lead to better memory for the target as opposed to presenting the entire message all at once. By using the results of this research, marketers should be able to tailor their marketing efforts in a fashion to better allocate marketing dollars in an era of shrinking budgets. The effectiveness of the presentation of brand names in sentences in this way, although used as a technique in advertisements, has not been examined empirically. The experiments in this article provide insights into the underlying cognitive mechanisms involved when consumers encounter such words and brands in ads, and suggest that the optimal presentation method for brands in sentences is through the use of a pause between the stem and the brand.

In summary, we investigated the effects on consumer memory of experiencing a perception of discrepancy during an original encounter with a word or brand. This experience increased the accuracy of recognition of the targets, even though the total exposure time of the target was shorter relative to the control. We conclude that a perception of discrepancy in an initial encounter with a keyword or brand in an ad is a valuable aid to memory, especially for brand names.

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# Should I Stay or Should I Go? Mood Congruity, Self-monitoring and Retail Context Preference

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## EXTENDED ABSTRACT

The vast majority of retailers appear to focus on optimizing customers' positive mood. The stores will feature cheery lighting, upbeat music, and reward sales staff for conveying positive feelings (Grimsley 1998). This makes intuitive sense. Retailers know that a customer's buying behavior is influenced by the atmosphere of the store (Swinyard 1993). The more positive the atmosphere the more positive the customer's perception of the store would seem to be (Schwarz and Clore 1983). Yet imagine the following scenario. After shoveling out your car on a particularly snowy day you finally make it to the store. As you enter, feet soaked and struggling to close your umbrella, you encounter bright lights, upbeat music, and beaming salespeople. You find the contrast between the cheery store environment and your dour mood makes you feel distinctive and different from the retail setting and people in it. Our study evaluated the counterintuitive prediction that under some circumstances customers in a bad mood will react negatively to a positive, upbeat retail environment. Further, it examined how self-monitoring may moderate this effect.

The primary hypotheses were as follows:

H1: Self-monitoring will significantly moderate the effect of a mood-congruent versus a mood-incongruent context on felt mood-distinctiveness such that low self-monitors will feel more distinctive in a mood-incongruent context than high self-monitors.

H2: Self-monitoring will significantly moderate the effect of a mood-congruent versus a mood-incongruent context on retail context preference such that high self-monitors will prefer a mood incongruent context more than low self-monitors.

## Experiment 1

*Method*

The experiment was a 2 (retail context: mood-incongruent or mood-congruent) x 2 (self-monitoring: low or high) between-subjects factorial design.

*Independent Variables*

*Mood Manipulation*. A film mood manipulation was used to induce a good or bad mood. Participants who watched *Big* felt significantly more Positive Mood than participants who watched *Steel Magnolias* ($M$s=7.36 vs. 3.33; $t$ (14)=7.88, $p$<.001).

*Mood-Congruence Manipulation*. Participants imagined that they needed to buy a book and saw an ad for a "Standard Barnes and Noble" or a "Celebrating Barnes and Noble" store. For bad mood participants the Celebrating Barnes and Noble store was a mood-incongruent context and the Standard Barnes and Noble store a mood-congruent one (vice versa for good mood participants).

*Self-Monitoring*. To measure participants' tendency to modify their behavior in response to a social context, participants completed a standardized measure of self-monitoring (Snyder 1974).

*Dependent Variables*

*Reaction to Retail Outlet*. To examine the effects of a mood-incongruent context on Felt Mood-distinctiveness, distinctive, unique, different current mood and different mood were combined to form a Felt Mood-distinctiveness composite (α=.65).

*Procedure*. After watching the mood induction clip participants saw one of the two ads and completed the ratings.

*Results*

*Reactions to Retail Outlet*. Consistent with hypotheses, participants who imagined a mood-incongruent context reported feeling more Felt Mood-distinctiveness ($M$=5.50, $SD$=1.33) than participants who imagined a mood-congruent context ($M$=4.32, SD=1.33; $F$ (1, 31)=9.59, $p$<.01). Consistent with expectations, the interaction of self-monitoring and Mood-distinctiveness was significant ($F$(1,31)=6.61, $p$ <.05). Low self-monitors showed a stronger effect of Mood-distinctiveness on Felt Mood-distinctiveness compared to high self-monitors. Thus it seems that low self-monitors feel a great deal more distinctive when imagining an incongruent context.

## Experiment 2

The second experiment examined consumer behavior in a preference context. If customers who feel good or bad perceive that a somber or happy retail context, respectively, will make them feel distinctive and different from the context, they may be inclined to avoid that context.

*Method*

The experiment was a 2 (retail context: mood-incongruent vs. mood-congruent) within x 2 (self-monitoring: low or high) between-subjects factorial design.

*Procedure and Materials*. The procedure and materials for Experiment 2 were virtually identical to those used in Experiment 1 and rated their preference for each retail context.

*Dependent Variable*

*Store Preference*. To measure participant reactions to the retail outlets, participants indicated how much they would like to visit the store.

*Results*

*Store Preference*. Consistent with Hypothesis 2 low self-monitors were less likely to prefer a mood-incongruent context than a mood-congruent context ($F$ (1, 37)=7.89, $p$<.01). In contrast, high self-monitors were more likely to prefer a mood-incongruent context than a mood-congruent one.

## Conclusions

Experiment 1 found that whereas low self-monitors report feeling more distinctive in a mood-incongruent context, high self-monitors do not. So, while a happy low self-monitor feels they would fit right in at a happy retail environment, a sad low self-monitor anticipates that a happy retail environment would make them feel distinctive so they avoid this retail environment. Experiment 2 provided further evidence that low self-monitors react negatively to a mood-incongruent context and are inclined to avoid such a context.

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# The Impact of Language Code-Switching on Ad Claim Recall

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## EXTENDED ABSTRACT

The purpose of this study is to examine how using language code-switching in advertising interacts with the context language of the medium to influence message recall. Code-switching refers to the practice of alternating between two languages during conversation (Scotton 1988). The Spanish/English code-switching that occurs among bilingual Mexican-Americans is of interest in this research.

According to the Markedness Model (Myers-Scotton 1993), a term is marked when it stands out in conversation. Luna and Peracchio (2005a) state that the direction of code-switching determines which language is marked. For example, if a person is speaking in Spanish and then switches to English, English is marked. Markedness is similar to perceptual salience, in which part of a message is salient when it stands out from its immediate context (Fiske and Taylor 1984). Code-switching has the inherent ability of making code-switched elements salient (Heller 1988). Salience is important in terms of its ability to positively influence message recall, as perceptually salient attributes are easy to recall (Hutchinson and Alba 1991). Therefore, message elements that are made more salient through code-switching should stand apart from non-salient message elements.

Furthermore, the language of the media context (e.g., magazine, television program) in which a code-switched ad is placed may influence recall. It is proposed that the language of the media context in which an ad occurs may serve to alter the degree of salience of the matrix ("switched from") and the embedded ('switched to") elements of a code-switched message. In this study, the code-switched message is presented in two forms, depending on the direction of code-switching (switching from English to Spanish or Spanish to English). The context language refers to the language of the medium in which the ad appears (all-Spanish vs. all-English). In code-switched advertising, when the embedded text differs from the context language of the medium, the embedded elements are made the most salient. Therefore, when the embedded text does *not* match the language of the medium context, level of recall of embedded elements will be higher than when the embedded text matches the language of the medium context (H1).

Alternatively, although the attribute of salience in message processing may increase recall, it has been shown in brand research that salience can serve to hinder recall of non-salient alternatives (Alba and Chattopadhyay 1985). When one brand is made increasingly salient, this brand will be easier to recall while other non-salient brands will become harder to recall during memory-based tasks. Thus, as salience may inhibit recall of non-salient brands, this same effect may be observed among message recall elements. That is, message elements that are made more salient should cause inhibition of other message elements that are not as salient. When the context language of the medium in which an ad appears does not match the embedded language of a code-switched ad, the embedded elements will stand out more. This will lead to decreased salience of the matrix (the "switched-from" ad language) elements in these conditions. Hence, when the matrix language of a code-switched ad matches the context language of the medium, recall of matrix language elements will be lower than when the matrix language differs from the medium language (H2).

## Study

To test these hypotheses, 122 Mexican-Americans between the ages of 18-30 with some reading ability in both English and Spanish were recruited. Each individual randomly received one of four treatments, consisting of an advertisement for a fictional cell phone company placed in between two magazine articles. The ad was either in mostly Spanish with several noun code-switches in English (Spanish-to-English code-switching) or vice versa. For example, a statement in the English-to-Spanish code-switched ad said, "We offer affordable prices! Our rates fit almost any *presupuesto*". The magazine articles that occurred before and after the ad were both written either in only English or only Spanish. This produced a 2 (direction of code-switching) by 2 (language context of the media) factorial design.

Participants were given strict time limits for reading all materials and were then required to complete two recall tests—unaided (first) and aided (second). In the unaided recall test, individuals were given three minutes to record any statements, words, etc., that they could recall from the ad onto a blank piece of paper. Responses could be recorded in Spanish, English or in both. Individuals were then given 2.5 minutes to complete an aided recall test, which had a fill-in-the blank format. In this test, subjects viewed the language version of the ad which they had received in full, with several omissions of phrases that included the code-switched words. They were instructed to fill in as much missing information as they could remember. For both tests, independent coders awarded one point for each of the correct number of items recalled.

## Results

ANCOVA was used to test all hypotheses as several covariates were measured in the study, including Spanish and English reading ability, involvement in the ad and articles and age of respondent. H1 stated that recall of code-switched elements would be higher when their language differed from the language of the context medium. This was supported at both the unaided level of recall [F(1, 121)=12.65, p=.00] and the aided level, though less strongly [F(1, 121)=3.31, p=.07].

H2 stated that recall of matrix (non-code-switched) elements would be lower when their language matched that of the medium language. Only partial support was found for this hypothesis, in that recall of matrix elements in the Spanish context, English-to-Spanish code-switching condition was significantly higher (p<.05) than that of the Spanish context, Spanish-to-English condition. No significant differences were found in either of the conditions when English was the context language of the medium.

In summary, results from this study suggest that advertisers may be able to strategically increase recall of code-switched ad elements when their language differs from the context language of the medium in which the ad is placed. However, code-switching may also result in diminished recall of matrix elements in certain cases, representing a possible double sword for advertisers wishing to use this language strategy.

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# Pick me, Pick me! An Extension of Theory Regarding Human Branding through Investigation of Editorial Fashion Models

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## EXTENDED ABSTRACT

In contemporary consumer culture, anything from soup to soccer players can be branded. Yet whereas a significant volume of research has shed light on the manner in which products may be effectively branded, much less systematic attention has been paid to the manner in which humans may become branded.

It can, of course, be argued that all research on branding is relevant to human brands as well as to consumer packaged goods, industrial goods, services, and every other entity. However, recent efforts to understand "human brands" (defined here, in an adaptation from Thomson (2006), as people who are the subject of marketing communication efforts) suggest that there are unique aspects to developing human brands such as celebrities. Moreover, there are reasons to expect that brand building will differ even within the category of "human brands." While it may be fair to call both an actor and a self-employed accountant a human brand, the institutional fields in which each competes vary dramatically, and we would expect that characteristics of those institutional fields could influence not only what constitutes a viable human brand, but also what tactics are likely conducive to creating viable brands.

The purpose of this paper, then, is to investigate a) the characteristics and b) the strategies for building human brands within one type of institutional field. We undertake this industry-specific investigation in order to begin to shed light on what may be unique about building human brands, what may be common with human branding in multiple contexts, and what may be common with branding in general. The paper, informed by an institutional theory perspective, draws on interview and archival qualitative data to develop insights into the nature of human brand building in the editorial fashion modeling industry. Our methodology can be situated within contemporary approaches to grounded theorizing.

The editorial modeling context has features that make it a useful one in which to study human brand building. First, it is attractive because of the high volume of human brands in the industry, and because of the constant influx of new individuals seeking to become successful brands. Second, while it features famous brands such as Cindy Crawford, Heidy Klum and Tyra Banks who are relatively well known to many end-consumers, the majority of those who are among the most successful brands within the field (e.g. Carolyn Murphy, Daria Werbowy, and Gemma Ward) in terms of their income, power and status (see www.models.com) remain virtually unknown to the general public.

Consistent with this observation, we note that the modeling industry is a context where customers (in the form of fashion designers, magazine editors and photographers) are typically more influential than the end-consumers of fashion products. The modeling industry thus represents a highly institutionalized setting that contrasts with other contexts in which human brands have been studied and in which it appears that there are varied means of being and becoming a successful human brand.

Our analysis suggests that models competing for editorial fashion work have attempted to build one of two different types of brands, and have adopted contrasting strategies depending on which type they seek to become. We label the first brand type "chameleon conformist" and the second "archetypecast."

Models who achieve the "chameleon conformists" type of brand are those whose names and faces are likely to be unfamiliar to the general public for much of their modeling career, but whose visibility within the editorial fashion field is immense. These are models who, for much of their careers, conform to the norms typically preferred by the powerful designers in the industry, in that they promote the designer's work more directly than their own fame. As part of conforming to the rules of the game within their field and the preferences of the powerful, these models constantly re-invent themselves. They are "chameleons" in the sense that they adapt their look to the evolving tastes in their field.

We have coined the term "archetypecasts" to refer to models who build successful human brands by achieving not only recognition within their field, but renown well beyond it. Theses models' names and faces are widely known not only by industry insiders, but also by those who are relatively peripheral to the industry. Moreover, like iconic brands of products, they hold a set of distinct meanings for fashion consumers that may be difficult to completely articulate, but that appear to be tacitly understood by both insiders to the field, and outsiders. It is in this sense that these models' branding efforts both "typecast" them and render them "archetypes." It is significant to note that, in the modeling industry, this type of brand is *not* built by behaving in a manner that is isomorphic with norms in the field and the preferences of those powerful within the industry. Rather, these models are highly selective in their enactment of normal industry practice.

Our analysis suggest that both are potentially viable strategies, but also that a model may, partly due to institutional actors such as media, be effectively repositioned. Yet most models who are regarded as successful human brands can be seen to conform to one branding strategy or the other.

The paper concludes by discussing what appears to be relatively unique to branding within this field owing to characteristics of the institutional setting and to dynamics within it, versus what may have some more general relevance. It suggests that there may be a number of other institutional settings where high quality conformity constitutes one viable human branding strategy, while celebrity-seeking is a sometimes-suitable alternative. It briefly considers both similarities and differences between the human branding strategies identified here, and alternative branding strategies suggested in the prior product focused literature, highlighting the need for theoretical attention to human branding as distinct from other types of branding.

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# The Branding of Next-Generation Products

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## EXTENDED ABSTRACT

The majority of innovative activities undertaken by firms are aimed at improving existing products (Griffin 1997; Urban and Hauser 1993). As a result, the introduction of successive product generations is typical of many industries. These next-generation products often embody new technology or confer enhanced benefits, and hence have the potential of replacing or obsolescing products previously introduced in the same category (Norton and Bass 1987). Microsoft, for example, has introduced 10 distinct versions of its Windows operating system over the last 21 years, each delivering more capabilities and a friendlier interface than its predecessor. In the home video game market, Nintendo has launched five generations of game platform since 1986, while Sony has introduced three generations of its popular PlayStation console in a little over 10 years. More broadly, Nike's Air Jordan basketball sneaker has been updated every year since 1985, Callaway will soon introduce the eleventh generation of its Big Bertha golf club, and Mercedes-Benz now boasts a redesigned sixth generation of its legendary Sport Leicht (SL) class of automobile.

Interestingly, when one examines the branding strategies employed by firms engaged in next-generation product introduction, several distinct naming conventions emerge. These range from the ongoing use of a single name (e.g., Cadillac's Coupe de Ville) to the use of an entirely new name with each successive generation (e.g., Sega's Master, Genesis, and Saturn consoles). A common naming convention falls between these two extremes, with firms retaining a core name and adding a sequential indicator, such as an ordered numeral (Palm I, III, V), a date (Microsoft Windows 95, 98, 2000), or even a superlative (Callaway's Big Bertha, Great Big Bertha, Biggest Big Bertha).

The presence of these different naming strategies begs the question of what motivates firms to choose one naming convention over another. The degree to which a firm wants to signal novelty and innovation might be one important factor. For example, firms may decide to 'skip' one or more steps in a naming sequence in an attempt to convey greater improvement. Thus, TaylorMade went from its 300 Series of golf clubs straight to the 500 Series (skipping the 400 Series) (Kramer 2005). Other firms have purposefully switched names to communicate certain aspects of their next-generation products, as when Microsoft decided to name its latest video game console the Xbox 360 rather than Xbox 2 (Rojas 2005).

What inferences do consumers draw from brand name changes and, more importantly, how do such changes impact a consumer's decision to adopt a next-generation product? The goal of the present research is to address these questions. To that end, we develop several propositions. First, we propose that consumers tend to associate a departure from an established naming convention with greater product change, with particular emphasis on innovation through new (rather than existing) features. Second, this heightened perception of change triggers expectations of both greater potential *risks* (product failures, learning costs, etc.) and greater potential *rewards* (product quality, functionality, etc.) of adopting the new product. Finally, a consumer's ultimate decision to adopt the next-generation product will be driven by the relative salience of these perceived risks and rewards, as determined by the purchase context or even personal disposition. We test these predictions and related implications across three studies.

In study 1, we demonstrate that individuals infer the level of product change offered by a next-generation product by its name relative to that of its predecessors. When the brand name deviated from an established naming convention, participants inferred significantly greater change than when it was a continuation of that naming convention. Furthermore, we show that the effect is driven by expectations of innovation through the introduction of new features rather than improvements on existing features.

We expand on this basic result in studies 2 and 3 and show that individuals perceive both greater risks and greater rewards under a brand name change than under brand name continuity. We find these effects particularly compelling, as they occur despite holding constant the physical product profile across the two naming conventions. In turn, we show that these perceptions of risks and rewards have a systematic and predictable effect on product adoption. Across the two studies, when risks were either highly salient or more salient than rewards–which we achieved by manipulating the purchase context (study 2) or simply measuring regulatory focus at the individual level (study 3)–product adoption was greater under brand name continuity than under brand name change. But, when risks were not salient or less salient than rewards, product adoption was greater under brand name change. Finally, we also demonstrate that these effects are highly dependent upon the degree to which an existing naming strategy has been established. When the existing naming convention spanned many generations, the effect of a brand name change was pronounced. But when the existing naming convention spanned only a few generations, the effect of a brand name change was negligible.

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# Effectiveness of Abstract vs. Concrete Challenge Strategies in Response to the Competitive Threat of Extensions from Mega Brands

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## EXTENDED ABSTRACT

Prior research has shown that parent brands characterized by abstract vs. concrete associations can extend into many dissimilar categories (Dacin and Smith 1994). However, this does not necessarily mean that consumer preferences for and choices of these extensions relative to other high quality competitors entrenched in the extension category will be high. In other words, non-competitive and competitive evaluations of brand extensions (evaluation of extensions without and with reference to an existing specific brand, respectively) are different (Broniarczyk and Alba 1994) and prior studies have typically investigated extension's non-competitive evaluation which is largely a reflection of extension fit.

Although mega extensions are often introduced in the presence of strong typical exemplar brands in extension categories, which serve as cognitive reference points for comparison (Loken and Ward 1990), little is known about how they will fare. Prior research suggests that despite its transferability, a mega brand could suffer in competing against a typical exemplar brand because typicality of a brand is positively correlated to its evaluation, inclusion in the consideration set, and its choice as a standard of comparison (Loken and Ward 1990). Similarly, pioneering literature highlights the challenges that late entrants into a category face vis-à-vis incumbents (Carpenter and Nakamoto 1989).

Our study has three key purposes. First, we investigate and confirm that non-competitive and competitive evaluations of brand extensions differ. Second, we explore the extent that far extensions of mega parent brands pose a threat to exemplar competitor brands. Third, we test the efficacy of potential abstract vs. concrete attribute based competitive positioning strategies that could be employed by exemplar competitor brands to defend themselves against mega extensions. We examined these objectives by employing four pairs of real parent brands, 8 far and 8 close extensions, and 16 exemplar competitors that were selected through extensive pretesting involving 500 undergraduate subjects. Both quantitative and protocol results across all replicates in Study 1 supported H1 showing a slight competitive advantage for exemplar competitors. However, given the brand strength of mega brands, exemplar competitor brands cannot let their guard down and need to deploy strategies to defend themselves from mega extensions for which we draw upon the alignment and adjustment model of Pham and Muthukrishnan (or PM) (2002). They showed that the magnitude of judgment revision of a defending brand following a competitor's challenge will depend upon the commensurability of the challenging information and the defending brand's positioning (e.g., concrete positioning is better challenged by concrete attribute based strategy) provided the latter is accessible.

Thus, in Study 2 we employed two abstract attribute-based challenge strategies. We selected abstract strategies based upon an examination of abstract thoughts for mega extensions in Study 1 protocols. The *expertise* strategy dealt with undermining the performance of mega brand extensions on abstract attributes (PM 2002). It encouraged consumers to believe that exemplar competitor brands are likely to have greater manufacturing expertise in the extension category because they manufacture only a few products, as compared to the mega brand whose manufacturing capability has been diffused across multiple categories. The *relevance* strategy

attempted to reduce the relevance of abstract attributes for mega extensions by imploring consumers to ignore the reputation of the mega brand because its performance on specific concrete attributes that are important in the extension category is unknown to consumers. We also decided to use a concrete attribute-based strategy (labeled *ability* strategy) to play upon mega extensions' weak linkage with concrete attributes. Study 1 protocols revealed that subjects preferred not to use concrete attributes (in comparing the two brands). Thus, if such information were to be provided to subjects, the competitive evaluation of the mega brand extension could perhaps be mitigated.

Results of Study 2 revealed that, despite their inherent logic, none of the three defensive strategies mitigated the competitive evaluations of far mega extensions. In fact, the ability strategy backfired and the process measures and protocols suggested that it failed to make the challenge alignable. Thus, we used a more direct and stronger manipulation that we label the *performance* strategy in which we not only named the mega extension, but also provided explicit concrete attribute performance ratings from an independent source (*Consumer Guide*) which slightly, albeit not overwhelmingly, favored the exemplar competitor brand relative to the mega brand extension. The expertise and relevance abstract strategies were also made more direct and compelling:

The *heritage (revised expertise)* strategy specifically named the mega brand extension in the manipulation and then made the point that the exemplar competitor brand had been marketing its product for a long time and that typically, longer experience resulted in a better understanding of consumers' tastes and preferences and higher product quality.

The *fit (revised relevance)* strategy specifically named the mega brand extension and then tried to undermine its key abstract associations by noting that although the abstract brand may have been well-known in other product categories, there would be very little in common between its existing products and the extension product category.

Study 3 findings revealed that only performance strategy mitigated the competitive evaluations of mega extensions whereas the two abstract attribute based strategies did not work. Comparing the process measure and protocol results of Study 2 and Study 3 strongly suggests that performance strategy in Study 3 worked because it successfully achieved alignability unlike in Study 2. Given the pattern of protocol and process results and its differences from those of Study 2, the performance result cannot be attributed to demand effect. Regarding the abstract strategies, despite being made more direct and compelling, they did not mitigate the competitive evaluation of mega extensions. Protocol and process measure results suggest that exemplar competitor brands struggled in achieving alignability (and thus, diagnosticity) with their abstract strategies. One possible explanation is that subjects attempted to see linkage or map the concrete attributes of exemplar competitors (e.g., *cleans* and *softens hair* for Pantene exemplar competitor) on the abstract attributes highlighted in these strategies (e.g., longer experience, little commonality) and found it difficult to do so.

Two additional possible explanations for why abstract strategies failed in our studies stem from the use of real brands in our research. That is, the influences of the strength of positionings of the

challenger brand in mounting a credible challenge and of the target brand to withstand a challenge were ignored in PM (2002) but accounted for in our research. Specifically, we find some support for the argument that exemplar competitors which are characterized more by concrete attributes had less credibility in launching abstract strategies. Another possibility is that abstract positioning of mega extensions is so strongly linked to mega brands that it is not easy for any brand (including exemplar competitor) to dislodge it. Both these were mute issues in PM (2002) because they used fictitious challenging and target brands. These results suggests a boundary condition to PM (2002) finding that abstract challenge will be effective in attacking a brand with abstract positioning. Only a more direct and stronger concrete attribute based challenge worked in mitigating the competitive evaluation of mega extensions with strong abstract positioning in our study.

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# Whatever People Say I Am That's What I Am: Social Labeling as a Social Marketing Tool

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## EXTENDED ABSTRACT

In this paper we studied the potential of "social labeling" for the promotion of pro-environmental consumer behavior. Social labeling is a persuasion technique that consists of providing a person with a statement about his or her personality or values (i.e., the social label) in an attempt to provoke behavior that is consistent with the label. Like a bottle of wine carries a label, describing its content, we can "label" other people, describing some aspect of their personality. For example, Miller, Brickman, and Bolen (1975) showed that telling a group of fifth-graders that they are very tidy was more efficient in making them keep their classroom free of litter than an explicit plea for tidiness. The technique is believed to rely on a self-perception process and the fact that people's (interpretation of) past behavior guides future action (Albarracín and McNatt 2005; Burger and Caldwell 2003; Ouellette and Wood 1998; Tybout and Yalch 1980).

We propose and test an adapted version that allows this technique to be applicable as a social marketing tool. In a first step of this two-step procedure, the individual is provoked to perform a certain pro-environmental act. This could be, for example, the purchase of an environmentally friendly variety of a product, like bio-products or propellant-free deodorant. In some cases this will require some type of external motivation, like a price promotion. In other cases, the consumer might simply prefer the environmentally friendly product, because of other product features than its environmental friendliness. In a second step, a social label is communicated which attributes the purchase to the consumers' environmental values. For example, one could print a message on the packaging (e.g., "[brand X]–For those who care about their environment"), which invites the consumer to (mis)-attribute the ecological purchase to their value of caring for the environment. We hypothesized that if this reattribution process is successful, the individual is likely to perceive himself as more concerned with the environment and act upon this new self-perception subsequently.

In four studies we applied such a procedure which suggests an internal attribution of an externally motivated pro-environmental choice. Participants were asked to indicate which TV-set they preferred from a list of seven TVs. These were evaluated on seven dimensions, including "Image quality", "sound quality", and "environmental aspects". One TV-set, which was most popular (chosen by 95-100% of participants) scored best on image and sound quality, but it also happened to have a maximum score on environmental aspects. Subsequently, we provided a social label describing the typical consumer who preferred this particular TV-set as "very concerned with the environment, and ecologically conscious".

Results indicated that this procedure is most successful at eliciting pro-environmental choices, if participants were distracted, either at the moment of processing the label or at the moment of making decisions. This suggests the labeling effect is an automatic one and that it works best in common, cognitively demanding circumstances. Additionally, results indicated that the label is not merely used as a guide in subsequent decisions; it also results in a re-attribution of the initial pro-environmental behavior to pro-environmental motives.

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# How Self-View and Type of Processing Affect Context Effects Produced by Viewing Products on Various Display Table Surfaces

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## EXTENDED ABSTRACT

Suppose that you were shopping for a set of trendy new coffee mugs and noticed some on a nearby table or shelf. Might your evaluation of how trendy the mugs are be subject to context effects arising from the display fixture's surface material, namely the sheath of glass or wood beneath the product? It seems possible. In the present research, we focus on an important theoretical and practical question that has been ignored in the context effects literature: Whether and how the mode of cognition that people use can affect the likelihood and direction of context effects that may emerge when a product is viewed on a display table made of different surface materials. Specifically, we focus on two dichotomous modes of cognition: (a) holistic versus analytic cognition as induced by a person's interdependent versus independent self-view, or (b) relational versus item-specific processing.

Emerging from two separate streams of work, self-construal theory (Markus and Kitayama 1991) and type of elaboration theory (Hunt and Einstein 1981) identify alternative dichotomous modes of cognition that people often use. Self-construal theory holds that people possess multiple views about how the self relates to others and the environment. Interdependents activate predominately interdependent self knowledge such that the self is viewed as fundamentally connected to both others and the context. However, those who activate an independent self-view, hereafter termed independents, perceive the self as a unique and autonomous entity with distinct boundaries that distinguish it from the background (Markus and Kitayama 1991). Of particular relevance to our inquiry is the contention that these alternative views about the self affect people's cognition more generally. Interdependents' emphasis on the inseparability of objects (e.g., the self, others) and their settings appears to prompt holistic processing, whereas independents' focus on separating the object from the background encourages analytic processing, whereby objects are treated as well-bounded units of data (Nisbett 2003).

Seemingly similar to the aforementioned holistic and analytic forms of cognition are two different modes of processing, which are the focus of type of elaboration theory (Hunt and Einstein 1981; Meyers-Levy 1991). This theory distinguishes between relational and item-specific processing. Relational processing involves actively organizing or integrating data by emphasizing commonalities or relationships shared by separate pieces of data. This contrasts with item-specific processing, which entails focusing on the particulars or precise details that comprise each piece of information.

We contend that each of the modes of cognition outlined by the preceding two theories might influence the context effects that could occur on people's evaluations of a target product when it is viewed on a display table made of different surface materials. Supporting this possibility, extant research suggests that people often develop shared associations to objects (e.g., surface materials) due to their experience with them (Peracchio and Meyers-Levy 2005). While most people are likely to associate glass with the concepts of modernity and artificiality, they tend to associate wood with the opposite concepts of tradition and naturalness. Thus, to the extent that these concepts are activated by the glass or wood surface of a display table and product viewers use a mode of cognition that either blurs versus accentuates the boundaries between these activated concepts and the target product, alternative context effects may arise.

We reason that, like relational processing, holistic cognition prompted by an interdependent self-view involves perceiving separate pieces of data as related or continuous parts of a larger integrated unit. This implies that people who use relational processing or holistic cognition are likely to exhibit an assimilation effect on their product evaluations. On the other hand, although both item-specific processing and analytic cognition prompted by an independent self-view entail treating individual pieces of data as separate and autonomous elements, we expect individuals who rely on either of these modes of cognition to use the contextual data in a different way. Specifically, item-specific processors, who are claimed to focus on "highly specific information denoting a single event" (Hunt and Einstein 1981) while ignoring all relationships (i.e., comparisons) that may exist, are expected to treat all pieces of data entirely separately and thus exhibit no context effects on product evaluations. However, because independents who engage in analytic processing not only treat each element of data as a bounded, self-contained unit of analysis, but they also purportedly seek "to understand what an object's distinctive properties" are vìs a vìs others (Nisbett 2003), they are expected to exhibit a contrast effect on their product evaluations.

We report one (of three) experiments that were conducted to test our theorizing. We began with a pretest, which established that people associate glass (wood) with trendiness (naturalness). Then, in our study, participants were first primed with one of the four modes of cognition (i.e., relational or item-specific; holistic or analytic processing). Then, they examined a neutral product (mug) displayed atop either a glass or a wood table, and evaluated the product on the dimensions of its trendiness and naturalness. Additional measures, such as thoughts and a choice-related measure also were obtained. Results upheld our theorizing. Specifically, interdependents, who engage in holistic cognition, exhibited assimilation effects, such that they evaluated the mug as more modern and/or less natural when it was displayed atop a glass rather than a wood table. Independents, who employ analytic cognition, displayed contrast effects, such that the mug was viewed as more modern and/or less natural when it was displayed on a wood rather than a glass tabletop. In addition, individuals who employed relational processing revealed an assimilation effect, whereas individuals who employed item-specific processing exhibited no context effects.

Our work contributes to the dual processing and context effect literatures by clarifying for the first time how and why the direction of context effects can depend on people's mode of cognition. Our research also sheds light on both why parallels and distinctions exist between two seemingly similar dichotomous modes of cognition that people commonly use (i.e., holistic versus analytic, and relational versus item-specific). Finally, we add to atmospherics literature, showing that omnipresent fixtures in retail milieus can influence product evaluations.

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# Temporal Response to Opportunities: A Look at the Last Name Effect

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## EXTENDED ABSTRACT

Everyday life presents numerous opportunities to claim scarce resources, however, relatively little is known about what determines how quickly a consumer will act to take advantage of such an opportunity. To better understand this, we begin by noting that children with surnames that begin with a letter at the beginning (ending) of the alphabet are privileged (disadvantaged) in childhood. We propose that children develop response tendencies to manage these inequities and that these response tendencies persist into adulthood. Specifically, we hypothesize that individuals with a last name beginning with a letter late (early) in the alphabet will respond relatively quickly (slowly) to opportunities to claim resources.

*Study 1*. Students enrolled in a large wine evaluation course were told they would receive $5 and a bottle of wine for participating in a 30-minute study. In line with the last name hypothesis, we predicted that individuals with names later in the alphabet would respond to the offer more quickly than those with names early in the alphabet. Consistent with the last name effect, there was a significant negative correlation between last name and response time ($r$=-.156). The existence of the last name effect for these students begs the question of whether the last name effect will exist for older adults in situations, where there is a clear pressure to respond quickly.

*Study 2*. Graduate students were sent an email and invited to respond by email to receive up to four free tickets to attend a top-ranked women's basketball game. As in Study 1, the first letter of each respondent's last name ($n$=76) their email address and was transformed into a number equivalent. Response times were measured by computing the difference between the time the offer was emailed and each respondent's reply email (in minutes). Here too there was a reliable negative correlation between response time and the number equivalent of the last name ($r$=-.271). Thus, the last name effect exists for adults in their late twenties who were aware that the opportunity was highly constrained.

*Study 3*. To learn about the origin of the last name effect, we conducted a study that allowed us to speak to the question of when individuals developed the response tendencies that underlie the effect. By moving to a sample of older adults (many of whom are married and have changed their name), we can determine whether the effect exists for current last name, childhood last name, or both. If it exists only for childhood last name, then the last name effect is likely rooted in a response tendency learned during childhood.

Participants were 280 adults (average age=39.1 years) who responded to an email invitation to participate in a survey in exchange for a chance to win $500. Participants' response times were calculated from the time the email invitation was sent to the time each participant began taking the study. The first letter of each respondent's adult last name and the first letter of the last name during childhood were obtained during the debriefing of the survey, which was unrelated to the last name effect.

The correlation of childhood name and response time reveals a significant last name effect for the sample as a whole ($r$=-.128). However, when we compute the correlation between response time and adult name, the effect is much smaller ($r$=-.070). This decline is attributable to name changers, for whom there is no correlation between adult name and response time ($r$=.000). In sum, it seems that the last name effect is driven by childhood name, not adult name, suggesting that it derives from a response tendency learned during childhood.

*Study 4*. Each spring, a survey of first-time academic job seekers in marketing is conducted and then posted on the ELMAR listserv. The first posting presents job placement data for individuals who responded within three weeks; these respondents are coded as *early* responders. After another month, a second Who Went Where report is released. Participants were 114 PhD students who reported job placement data to ELMAR over a two year period. We reasoned that the opportunity to share the good news of a successful job search with one's peers would be acted on more quickly by those with rapid response tendencies. As such, we expect that individuals with last names late (early) in the alphabet will be more likely to be early (late) responders.

The data indicate that PhD students with a surname beginning late in the alphabet were quicker to announce their job search success than those with surnames beginning with letters early in the alphabet. This is evidenced by a comparison of the average letter equivalent code for those who responded early ($M$=11.76, letter L) to that of those who responded late ($M$=7.23, letter G), $t$(113)=2.78, $p$=.006, $d$=.523. Though individuals with names of Asian descent had last names that began with letters that were slightly farther into the alphabet, they were as likely to be on the late report as non-Asians, indicating that the last name effect does not stem from cultural response norms.

*Conclusion*. These studies find a robust effect of one's childhood last name on temporal responses to opportunities, a finding that has implications for scholarship and policy ranging from issues of sampling validity, organizing structures, and the effectiveness of various marketing strategies. On this last point, the implication is that various purchase incentives will be taken up more quickly by those later in the alphabet.

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# Self-Construal and Temporal Distance

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## EXTENDED ABSTRACT

Different research streams have examined how the temporal distance to an event influences responses to this event by changing the way people represent it in the mind. Temporal construal theory (Liberman and Trope 1998) posits that the further away into the future is an event, the more likely it is represented in abstract, high-level terms rather than specific, low-level terms. The inverse of this relationship is less clear. Does elaborating on the low-level contextual features of a future event make it appear closer to the present? And does abstracting from the contextual details shift the event further in mental time?

This research identifies a possible antecedent of temporal construal and explores the implications for persuasion in a consumer context. We suggest that the view people hold about themselves as individuals and in relation to others influences the extent to which they represent future events in abstract or in specific terms and the perceived temporal distance to these events. Research on cross-cultural differences in information processing suggests that individuals with an interdependent self-view form representations of the self in relation to others that are concrete and often embedded in specific social contexts. In contrast, those with an independent self-view tend to ignore the specific situation and focus more on global, context-invariant features (Markus and Kitayama 1991; Masuda and Kitayama 2004; Morris and Peng 1994). Based on these findings, it is plausible that individuals with a more accessible interdependent self-view form more elaborate context-dependent representations of future events and hence perceive these events as more proximal. In contrast, those with a more accessible independent self-view form more abstract context-invariant representations of future events, and therefore perceive the events as more distant in time.

A different line of support for the proposed relationship between self-view and temporal construal comes from the regulatory focus literature which suggests that promotion goals are perceived as more temporally removed from the present compared to prevention goals (Pennington and Roese 2003). Similarly, the "pros" of an action are more salient in decision making for the more distant future whereas "cons" are more salient in decision making for the near future (Eyal et al. 2004). Previous research has shown that individuals with an independent self-view are likely to be promotion focused and sensitive to gains and non-gains, and individuals with an interdependent self-view are more likely to be prevention focused and sensitive to losses and non-losses (Lee et al. 2000). Thus, we propose that an independent self-view, relative to an interdependent self-view, should induce a distant temporal perspective when construing future events; we further explore the implications of the proposed relationship for persuasion and for consumer behavior by examining the effect of a fit between one's self-view and the temporal framing of a marketing message on the message effectiveness and the attractiveness of the advertised product. We demonstrate that when the temporal framing of an advertising message is compatible with the self-view of the recipient, the message is more persuasive and the target product receives more favorable evaluations. We explore the mechanisms underlying these persuasion effects and show that they are driven by greater attention to information compatible with the recipient's self-view.

In experiment 1, we tested whether situationally activating an independent or an interdependent self-view resulted in varying degrees of mental abstraction. We first prompted participants to think either of themselves or of close others and then examined their performance on a task involving the classification of objects into categories. According to construal level theory, high-level abstract categories are more inclusive than low-level specific categories (Liberman, Sagristano, and Trope 2002). Therefore, if an independent self-view, relative to an interdependent self-view, leads people to construe objects at a more abstract level, independent individuals should use fewer and broader categories to classify objects. Consistent with our hypothesis, participants in the independent-prime condition formed significantly fewer groups in the categorization task than participants in the interdependent-prime condition.

In experiment 2, we tested if thinking about goals related to the self vs. goals related to close others resulted in temporally extended estimates of goal initiation and completion times. Results indicated that when the self (vs. close others) was central in the motivation for working towards a goal, the goal was perceived as requiring a more substantial investment of time, hence the event was construed as occurring further into the future.

Finally, in experiment 3 we explored the persuasive implications of the relationship between self-view and temporal construal in a consumer context and showed that a match between one's self-view and the temporal framing of an advertising message resulted in more favorable evaluations of the message. We further demonstrated that these persuasion effects were driven by differential attention paid to a message that was compatible vs. incompatible with the recipient's self-view, as manifested in greater interest and enhanced ability to assess the quality of the message arguments under conditions of compatibility.

In summary, this research suggests that the way people represent events in time may in part be a function of the view they hold of themselves in relation to others. The proposed relationship between self-view and temporal construal has implications for consumer research as it suggests strategies to enhance advertisement effectiveness and product appeal. The findings also contribute to the literatures on self and on temporal construal theory.

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# Sneaky Small Sins Flying Under the Radar: Package Sizes and Consumption Self-Regulation

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## EXTENDED ABSTRACT

Products are increasingly offered in various package sizes, in particular single serving-sizes, and these single serving sizes are becoming smaller. For example, *Kraft Foods Inc.*, in 2003, started putting a cap on the portion size of single serve-packages as a social measure to help consumers fight obesity (http://www.kraft.com/newsroom/07012003.html, 20/10/2003). Also *McDonalds*, in 2004, as part of its initiative "Eat Smart, Be Active", downsized the super-sized portions to cater to consumers' growing preference for healthier foods. Also, various products such as Häagen-Dazs and Ben and Jerry's ice-cream, and Pringles and Lays chips are now being offered in small, single-serve packages. Moreover, growing numbers of multi-packs with individually-wrapped single-serve portions are being offered, such as chips (Potato Heads, Ruffles), cookies (Filipinos, LU) and candy (KitKat, Toblerone, Twix).

These developments rest on the assumption that when products, especially tempting products as the ones mentioned, are offered in these small packages, consumers are better able to exert self-regulation by restraining the total quantity consumed. This view is consistent with findings that small packages are perceived to be helpful in exerting self-control (Wansink and Park 2000), with consumers often even paying premiums for them (Wertenbroch 1998). For example, cigarettes are in many countries sold in a 10 cigarettes-pack instead of the more traditional 20 cigarettes-pack, with consumers paying higher unit costs with the 10 units pack than the 20 unit pack —a premium to presumably keep control over the "daily amount". The question that arises then is to what extent the offer of tempting products bundled in these smaller package sizes indeed contributes to consumers' better self-regulatory ability.

In the present research we propose that the presentation of tempting products in these small single-serving sizes (the small "sins") may have, contrary to what is intended, a negative effect on consumers' self-regulatory ability. In order for self-regulatory behavior to occur, consumers need to perceive the current consumption act as a self-control conflict in which attraction to a temptation hinders the pursuit of an overarching goal (Fishbach and Shah 2006). If behaviors do not produce a self-regulatory conflict, consumers will not activate self-regulatory strategies that could restrain the tempting consumption, thereby actually falling into temptation.

The apparent tendency of consumers to believe that smaller quantities of tempting products are "acceptable" and to consider small single-serving packages as helpful self-regulatory tools can contribute to a higher likelihood of consumption than if products were offered in quantities considered to be "unacceptable", which could instigate consumption restraint. Therefore, we propose that large package sizes may actually be better self-regulatory facilitators than small single-serving packages, because they are more likely to activate a self-control conflict and preventive control strategies to deal with it. In this way, small single-serving package sizes can lead to the perverse effect of increasing rather than reducing likelihood of consumption, and thus possibly to the long-term negative effects that they intended to prevent.

The present research examines this phenomenon, in the context of different package formats for tempting products that usually imply eating regulation (e.g., chips, chocolates, and candies). Packaging characteristics may influence usage behavior long after it has influenced purchase (Wansink 1996) with previous research showing that stockpiling increases the consumption quantity (Chandon and Wansink 2002), that consumers tend to consume more of a product when they perceive the unitary costs to be lower (Wansink 1996), that product elongation influences product perceived capacity (Raghubir and Krishna 1999; Wansink and Ittersum 2003), and that the perceived supply of the product raises the quantity that is consumed (Folkes, Martin and Gupta 1993). However, we are not aware of research analyzing whether, independent of the supply, package size influences consumption and, more specifically, consumers' self-regulatory ability.

Study 1 (n=59; 2 (package formats: large, small) x 2 (reasons to choose, reasons not to choose) x 2 (self-regulatory concerns: high, low) within-subjects design) analyzes the type of beliefs and predictions that consumers have regarding the consumption of tempting products in different package formats. We assess consumers' beliefs with respect to offering products in different package sizes, asking them to list reasons that could lead to choosing and not choosing tempting products in different package sizes. Results indicate that small package sizes tend to be considered self-regulatory facilitators, especially by those that have high self-regulatory concerns, while larger packages are perceived to be self-regulatory threats.

In study 2 (n=140; 2 (package sizes: small vs. large) x 2 (self-regulatory concerns: control vs. activated) between-subjects design) we assess the influence of offering tempting products in different package sizes on real consumption behavior. Using behavioral measures of consumption while consumers supposedly participated in an "ads evaluation study", we tested to what extent larger as compared to smaller packages indeed lead to higher ability to exert self-control, analyzing the likelihood of opening packages and actual consumption behaviors. Findings suggest that large package sizes, compared to small package sizes, are more likely to activate a conflict between indulging in short-term temptation versus long-term self-regulation, which prompts efforts to exert self-control. Results indicate that compared with smaller packages, large packages contribute to better self-regulation reducing the likelihood of initiating consumption and leading to lower total quantities consumed.

In sum, findings from the two experimental studies provide support for the idea that although smaller packages are the ones more often chosen for self-regulatory purposes and indicated as self-regulatory facilitators, large packages actually contribute to better self-regulation. This demonstrates that, contrary to common belief, offering products in small package sizes may reduce self-control ability. This sneaky "small sin" effect contributes to consumption misregulation, and it reveals that in the case of self-regulation, small is not better since it flies under the consumers' radar.

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# Self -Medication versus Pure Pleasure Seeking Compulsive Consumption

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## EXTENDED ABSTRACT

The purpose of this research is to understand compulsive consumption from a motivational perspective. Especially, we rely on the goal-systems theory (Kruglanski et al. 2002) to examine the distinct problems associated with different motivations. Previous consumer research has shown features and consequences of impulsive and compulsive behaviors (Hock and Rook 1985; Rook 1987). More recently, Hirschman (1992) proposes that compulsive consumers might differ in their motivation to consume. She suggests that some compulsive consumers consume as a way of self-medication (i.e., self-medicationers), whereas others consume purely to seek pleasure or gain from the substance or activity (i.e., pure-pleasure seekers). Using a qualitative method, Hirschman documents the unique characteristics associated with the two types of compulsive consumers. In this research, we extend the current understanding of compulsive behavior by (1) making new predictions based on goal-systems theory; (2) testing our hypotheses with field data collected at a clinic center for problem gamblers over a period of 8 years.

Drawing on the theory of goal-systems (Kruglanski et al. 2002), which suggests that different means to achieve an end are substitutable to each other, we first hypothesize that a self-medication motivation would lead to a greater possibility of having compulsive behavior in different domains (hypothesis 1). In other words, we propose under a motivation to escape from the current depression state or painful reality, different domains of compulsive consumption (e.g., drugs, alcohol, binge eating) are substitutes to each other. Compulsive consumption itself is not the end state a compulsive consumer desires but a means towards an ultimate goal to forget the pain. On the other hand, for pure-pleasure seekers who have already developed a problem with a domain of consumption, their ultimate goal is the pleasure derived from the particular domain of consumption. The different domains of consumptions are therefore exclusive to each other, and the activation of one would devaluate the other (Brendl, Markman and Messner 2003). Hence, we argue that self-medicationers are highly likely to have compulsive consumption across domains than pure-pleasure seekers. To illustrate, compulsive shoppers who shop to escape from reality, are more likely to engage in other compulsive acts such as drinking, smoking, binge eating, and even taking drugs as long as the alternative forms of consumption also make them forget. It is compared to compulsive shoppers who shop for the excitements they can get from the shopping itself.

Our second hypothesis is that the substitutability among different forms of compulsive consumption will make self-medicationers less likely to conduct, or more likely to withdraw from, a compulsive behavior domain. Since the different domains of consumption are substitutable, if self-medicationers believe that the future costs for engaging in one particular domain are higher than the other, they could shift to the other domains (Becker and Murphy 1988; Hirschman 1992). In this sense, self-medicationers' choice and behavior are more consistent with the mathematical model proposed by Becker and Murphy (1988), or in their words, more rational. To illustrate, if compulsive gamblers who gamble to escape know that their behavior is going to have very severe consequences such as going to prison, they would be more likely to discontinue their gambling activities and seek other domains of consumption such as drinking alcohol. However, pure-pleasure seekers' dependence on a substance is more exclusive in nature, and they would do whatever they can to gamble, even illegal acts.

We used data from a clinic center for problem gamblers in the Gold Coast area in Australia to empirically investigate our two hypotheses. Results of the logistic regression supported the idea that self-medicationers (Mean=39%) were more likely to have other substance dependencies than pure pleasure seekers (Mean=7%, $Wald$=22.28, $p$<.001). As an extension of our hypothesis 1, we further argue that with the problem of compulsive consumption getting more severe, people with different consumption motivations would demonstrate different evolving patters in terms of having problems in the other domains. Supporting this prediction, our analyses revealed that when the magnitude of gambling problem was escalating (from non-diagnosed problem gamblers, who indicated some problems with gambling behavior, but were not diagnosed as a behavior disorder yet, to diagnosed problem gamblers), the possibility of having other substance dependency increased for self-medicationers but declined for pure pleasure seekers. More specifically, we found a statistically significant interaction between the two independent variables ($Wald$=15.94, $p$<.001). If non-diagnosed gamblers were gambling for self-medication purposes, the problem of other substance dependency (i.e., comorbidity between different addictions) would get worse when they became diagnosed problem gamblers (31% for non-diagnosed problem gamblers versus 39% for diagnosed problem gamblers). But if non-diagnosed gamblers were gambling purely because of the pleasure they derived from it, the possibility of their having other substance dependency actually decreased when they became diagnosed problem gamblers (24% for non-diagnosed problem gamblers versus 7% for diagnosed problem gamblers).

Although self-medicationers were found to have a higher likelihood of having problems across domains, they were also found to be less likely to conduct illegal conduct to facilitate their problem consumption (in this case, gambling. $M_{medic}$=14%, N=369 versus $M_{pleas}$=77%, N=287, $Ward$=57.51, $p$<.001). Our second hypothesis was supported.

The implications of our study are twofold. First, to investigate the correlation between different domains of compulsive consumption, we should not ignore the underlying motivational factors. Second, different motivations of compulsive consumption call for different solutions to these problems. For self-medicationers, simply stopping them from doing one form of problematic behavior would push them to develop problems in the other domains. It is equally important to teach them a healthy way to solve their current problems. Our analyses based on the clinical data were subjected to the following limitations. First, all tests were correlational, and the underlying mechanisms were not being directly examined. Second, the changes in the social and economical contexts, which were not coded in our data might provide alternative explanations which we could not fully rule out.

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# Is High-Caloric Food Consumption an Addictive Behavior in Our Modern World of Plenty? A Test of the Relationship between Inhibitory Performance in a Neuropsychological Positive-Emotion Shifting Task and Everyday Snacking Behavior in Non-Obese Adult Women

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## EXTENDED ABSTRACT

### Research Background

Eating behavior has evolved over billions of year in an environment of food scarcity. Therefore, in the modern world of plenty, where cues for food and high caloric food (HCF) in particular are ubiquitous, it is reasonable to expect that HCF consumption, even for normal weight consumers, can be viewed to some extent like an addictive behaviour.

There is evidence supporting common mechanisms mediating the rewarding properties of natural rewards like food and addictive drugs. Researches have for long shown that sugar and fat, the two core ingredients in most HCF, do induce more intense pleasure than their counterparts. Furthermore, neuroimaging techniques showed that the HCF cues, compared to low caloric food cues, are associated with more intense reward system responses. In other words, HCF foods are highly rewarding, intensely positively valenced cues that are tempting fruits hard to resist.

In this paper, we propose to test whether everyday HCF consumption conforms to an addiction-like model. This model builds upon the most immediately relevant features of addiction to account for a person's everyday HCF consumption in the context of modern affluence where the food itself and related cues are ubiquitous. The addiction-like model of HCF consumption lies on three central premises. The first is that HCF are intrinsically pleasurable stimuli tied to a biologically-wired and culturally-reinforced prepotent approach response. The second premise of the addiction-like model of HCF consumption is that consumers are not only wired for impulsively react to one's pleasurable objects and cues in the environment in a passive manner. They are also able to exercise inhibitory control over such impulses and possibly turn to alternative internal or environmental cues, or to alternative goals. The third premise is that, while both impulsive responses and inhibitory control are basic features of the human brain anatomy and processes, there are individual differences in one's susceptibility to impulses and one's ability to exercise inhibitory control, and such differences at the neuropsychological level can be linked to a person's every day's HCF consumption.

Addiction has been tied to two types of psychological mechanism, these being attentional and inhibitory. Thus, building upon recent models of addiction, we see HCF consumption as being due to two related processes: (1) biased attention, upon exposure to the HCF cues, the reward system draws the person's attention selectively towards the addictive-like stimulus, thereby making its recognition faster and easier and being accompanied by motor preparation in order to move towards the object of addiction; (2) poor inhibitory control, that translates into one's difficulty to stop or inhibit such motor impulse, as the first step towards a possible controlled responses of maladaptive behaviour and/or a shift to alternative environment cues and goals.

### Research Objective

The present study used a computer-administered measure of neuropsychological performance in inhibitory control, namely Affective Shifting Task (AST), which can measure individuals' attentional/impulsive response to rewarding cues and the ability to inhibit such impulses. By exploring the relationship between individuals' performance in AST and their everyday eating behavior, the AST is validated as an assessment of individual neurobiological vulnerability to HCF temptations.

### Methods

132 non-obese (BMI<30) women enrolled an experience sampling study, in which participants reported their lifestyle behavior six times a day for in ten reporting day. The reported eating behavior included whether they had been snacking and craving for food, especially those HCF, in the last two hours.

The same individuals also performed computer-administered AST that assess individual pre-frontal cortex activity in terms of attentional and inhibitory processes to affective stimuli. In the AST, where positive and neutral stimuli were varying in different conditions, participants were put into an environment to focus on the things they want to approach or to shift attention away from them. Similar tasks showed that individuals addicted to highly rewarding objects such as drugs, nicotine and alcohol demonstrated impaired performance. For each participant, performance measures on the AST, including response latency, and parameters reflecting its underlying process, in terms of discrimininability and dis/inhibition, were computed. AST parameters used as predictors of everyday HCF snacking were constructed from the within subject differences on these attentional and inhibitory measures between relevant manipulated conditions built into the structure of the AST. Those parameters including (1) the emotional bias, which is a set of indices revealing individual attentional bias to positive cues, (2) the mental flexibility, which reflects participants' adaptability to changing environment, and (3) mental flexibility reflected in emotional bias, which takes the individual difference of two parts: mental flexibility when positive stimulus were set as attentional targets compared with neutral stimuli as targets.

### Results and Conclusions

In series logistic hierarchical models, the individual performances and parameters in AST served as predictors of the everyday eating behaviors reported by participants, specifically, the reported HCF snacking and experienced craving. In a series similar model, the HCF craving was used to predict the snacking, and the predicting power (i.e., the weight of craving carried in snacking behavior) was further explained by the same set of predictors. The results conformed to some extent to the three primary premises of the addiction-like model of eating but there is clearly no perfect mapping with an addiction-like pattern of HCF consumption. The most interesting and robust finding of this study is the critical role played by inhibitory performance on the AST in accounting for a person's HCF consumption, in particular at the level where the individuals has to show mental flexibility in responding to a environment (task conditions) in which stimulus-reward associations are reversed. At this level, individuals who showed superior inhibitory performance in these conditions, over their own neutral

baseline, were better able to resist to the world of plenty and were less likely to have engaged into HCF snacking. Most importantly, this relationship persisted, even after the effects of other AST parameters had been partialled out in a subsequent analysis that includes all of them. As further evidence of the critical role played by inhibitory performance in this context, compared to attentional measures comes from results of the follow-up analysis in which the signal detection's measure of inhibitory performance was dissected into its components, CR (an attentional index) and CR, a direct measure of one's ability to inhibit responses. Here, results showed that superior inhibitory performance on this more direct index remains predictive of lower HCF snacking, while a superior attentional performance, as indexed by CR, was predictive of higher HCF snacking. It is noteworthy that all these effects remained significant after episode-level and individual controls.

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# Exploring Needs, Desires, and Hopes: A Study of Impoverished Migrant Consumers

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## EXTENDED ABSTRACT

Realizing differences in the consumption behaviors of economically better-off and impoverished consumers, many consumer behavior researchers explored how poor consumers cope with economic restrictions. Impoverished consumers are generally assumed to be living in the center of the city, such as the urban poor (Hill 2002a, 2002b) or homeless people (Hill and Stamey 1990); therefore, they are assumed to know the prevailing rules, norms, values, and orientations in the city, as well as meanings attached to consumption objects. However, poor and immigrant consumers present a different case than homeless or urban poor consumers because they have migrated from village to the city, without any advance knowledge of city culture and prevalent consumption practices. We argue that immigrant consumers are different from other poor consumers because they experience a change in their lives, mainly in the form acculturation (e.g. Oswald 1999; Penaloza 1989, 1994; Sandikci et al 2006; Ustuner and Holt forthcoming).

On the other hand, studies of economically impoverished consumers have mostly studied these consumers in terms of their basic needs and wants, i.e. what they essentially need in order to survive. However, desires and hopes seem to be other important factors influencing their consumption practices. As Belk et al (2003) note, how consumer desires are negotiated among people who have not grown up in an urban, marketizing society remains an understudied area. We aim to contribute to existing literature on consumption patterns of economically deprived consumers by explicating their needs, wants, desires, and hopes in an integrative manner. Therefore our main research question in this study is how poor, immigrant consumers talk about their needs, desires, and hopes and how their interpretations are structured by various institutional and cultural discourses and norms.

The context of our study is rural-to-urban migrants in Ankara, capital city of Turkey. Turkey provides an interesting context to study poor, migrant consumers because there are different modes of modernities that involve Western and non-Western imaginations at the same time. Ethnographic data collection method was chosen in order to understand an 'unfamiliar world' and bring the lived experience of consumers living in shanty towns (Van Mannen 1988). Ten in-depth interviews were conducted in two different regions of shantytowns in Ankara.

Results indicate that immigrants' needs and wants were mostly shaped by what they observe in each others' houses in the squatter area, which is a close-knit community, somewhat isolated from the city culture. Relatives and friends provide sources of comparison for migrated consumers. As a community, they together create their own consumption relationships, providing support for Bourdieu's (1984) observation that different ways of life involve different systems of thinking about what is 'necessary'. Immigrant poor consumers' 'baseline standard' (Hill 2002b) does not depend on the dominant consumption culture prevalent in the city, but on what other poor consumers in the same squatter area have.

There was also support for the idea that immigrant consumers' desires were not achievable. The pleasure, creativity, and fantasy of consumption liberate their desires (Firat and Venkatesh 1995), however these consumers were consciously convinced that they would not achieve their desires because of two main reasons. The first reason is money; apparently, they lack the resources needed to purchase the desired objects. Secondly, the desired object requires a dramatic transformation of the individual. This dramatic transformation is achievable but totally inappropriate because of the nature of their desires. For example, one of our female respondents stated her desire to be a very attractive woman. Although this was not impossible, it would require her to be open, apply make-up, and exercise, most of which, she believes, are against her values and religious beliefs.

Contrary to Belk et al.'s (2003) findings, we found that desire is not kept alive until the object is acquired; it is kept alive as long as it brings enjoyment since the object will never be acquired. Desire is beyond hope but it still exists, yet this does not create depression. The relation between desire and hope in our case reveals a different situation where one might desire an object without necessarily hoping it. Hope is towards a goal-congruent outcome (MacInnis and de Mello 2005); and like a plan, it shapes immigrant consumers' consumption routines. But desire is not goal-congruent; to desire is to live, to hope, and to be alive (Belk et al. 2003).

Our study was limited in terms of the depth of information collected. Future studies might focus on different contexts, differentiate between first- and second-generation immigrants, and include male respondents and children. Continuation of this research has the potential to extend the notion of the 'desire for the other', in ways that reveal who the other is and what that desire involves in relation to hope.

# We Happy Few: Redefining Community in Marketing

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## EXTENDED ABSTRACT

Community has seen an increasing level of interest with marketing scholars both as a context for a variety of consumer behaviors as well as a consumer behavior unto itself. We have seen marketers investigate the impact community has upon various consumption activities (Cova 1997; Hill and Stamey 1990), the rites and rituals of various consumption communities (Celsi, Rose, and Leigh 1993, Schouten and McAlexander 1995), and the process of how certain communities develop and grow around various brands (McAlexander, Schouten, and Koenig; 2002; Muniz and O'Guinn 2001; Muniz and Schau 2005). However, despite this growing interest and the wealth of knowledge garnered by such studies, a consistent definition of community in the marketing literature is elusive.

As a result, there are three main challenges to the exploration of community in marketing. First of all, the notion of community is inexact in a definitional sense both in terms of how one identifies a community and in how it is distinguished from subcultures or other such social units. Second, a set of challenges arises when we attempt to outline the boundary conditions of what constitutes a community, and third, there is a need to consider the variations between different types of communities or, at the very least, the varieties of communal relationships that exist within communities. Our purpose is to attempt to resolve these challenges and provide a definition of community that allows marketers to move forward with an examination of community both in theory and in practice.

To do so, we first draw upon various sociological, psychological, and ecological literatures to understand the fundamental components of community. Collectively, these streams suggest that community is a social system that possesses two components, a structural and an inter-relational component, that exist between and amongst its inhabitants. We draw from Brint's (2001) notion that community is driven by "aggregates of people." These collections share something—be it a set of beliefs, ideals, desires, activities, or concerns—that binds them together; yet, we also believe that there is something more to community than simple collections of people. Brint's definition, though thorough, remains vague in that it may also describe a family, a classroom, or a group of friends enjoying a camping trip.

Building upon the work of Giller (1984) who defined ecological communities as made up of smaller "guilds" or groups of animals, plants, and bacteria as well as the efforts of Cooley (1909), Durkheim (1893), and Simmel (1950), we argue that a community is formed when subgroups of intimately related people who are bound by strong ties develop relatively weaker ties with other subgroups of people. Ultimately, we arrive at the following definition: *Community is a structured and inter-related network between groups of people where each individual group as well as the collective network of groups is bound together by relations that may include affect, loyalty, common values, personal concerns, common activities, and/or beliefs and where the tie strength of relationships within groups is relatively greater than the tie strength that exists between groups.*

From this definition, we attempt to align the components of our proposed definition with the existing marketing literature on community. Then we apply our definition of community to marketing and, specifically, brand community. First, we find that marketing research has alluded to collections of distinct sub-groups that form a broader aggregate community (Schouten and McAlexander

1995). Second, the extant literature suggests that marketing can facilitate ties between groups of consumers (Cova 1997; Price and Arnould 2000). For example, two of the main arenas in which marketing exhibits its ability to bind sub groups into a larger entity is through the utilization of brands (Muniz and O'Guinn 1995; Muniz and Schau 2005) as well as the construction of communitas between consumers (Celsi et al. 1993; Arnould and Price 1993).

We also submit that our definition of community aids in the conceptualization and identification of brand community. We argue that a brand community occurs when the brand facilitates the relatively weaker ties that bind subgroups together. We also make a further delineation. Specifically, we examine the ties within subgroups, suggesting that if the ties that exist within sub-groups are not a result of the brand but rather a result of other attributes associated with affect, loyalty, common values, etc., then it is not a brand community. In this case, the brand has been adopted by the community. We describe this structure as a *community's brand*, arguing that if the brand is consequently removed from the community, the community would carry on without the brand. These brands, rather than assisting the formation and development of a community and its rituals, are invited into the community much as Kates' (2004) informant suggests when he states "if a company chooses to acknowledge us, we will tend to shop there, or purchase that product with an almost blind devotion… Levi-Strauss has been in the community for years" (458).

Thus, we posit that certain communal bodies may in fact constitute both brand communities as well as a community's brands. For example, The Harley Davidson subculture of consumption identified by Schouten and McAlexander (1995) appears to be a collection of various subgroups such as the Mom-and-Pops, RUBs, Dikes on Bikes, and Hard Core bikers (to name a few). Each subculture has strong ties within their specific groups based on such elements as loyalty, affect common values, personal concerns, common activities or beliefs; and these groups have adopted Harley Davidson as a community brand. However, when the various subgroups come together at Sturgis, the brand facilitates the between-group weak ties that bind these subgroups together. Harley Davidson's marketing vis a vis the biker rally at Sturgis then helps facilitate a brand community.

Ultimately, we believe that community, both as a concept and a reality, is a complex and difficult web of human relationships within varying environments; and the importance of understanding such phenomena has been noted within sociology, ecology, psychology and marketing. This paper is an attempt to provide one perspective that may aid in clarifying what community is in terms of its structure and the various types of community that may appear. It is our hope to take the study further and explore its ramifications within particular contexts.

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# The Relationship between Online Brand Community Participation and Consciousness of Kind, Moral Responsibility, and Shared Rituals and Traditions

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## EXTENDED ABSTRACT

In the last few years scholars have shown tremendous interest in researching brand communities (Algesheimer, Dholakia and Herrmann, 2005; McAlexander, Schouten and Koenig, 2002; Muniz and O'Guinn 2001). The three characteristics of brand communities that were identified by several scholars are consciousness of kind, moral responsibility, and shared rituals and traditions (McAlexander et al. 2002; Muniz and O'Guinn 2001; Schau and Muniz 2002). However, there are no existing scales to measure these characteristics. The lack of scales for measuring these three defining characteristics complicates the efforts of researchers to understand brand communities better.

Likewise, over the past few years, rapid advancements in the field of Information Technology, especially the Internet, have facilitated the formation of numerous online/virtual brand communities. For example, we found nearly 2000 Yahoo groups dedicated to different brands of motorcycles; nearly 500 Yahoo groups devoted to Harley-Davidson motorcycles alone. Though members' participation is considered the core of a community's existence and a key indicator of the performance of online communities (Bagozzi and Dholakia 2002), there is no scale to measure the extent of members' participation in online brand communities. Hence one of the goals of this paper was to develop scales for these four constructs.

The other goal of this paper was to investigate the relationship between members' participation and their consciousness of kind, moral responsibility, and shared rituals and traditions. While current literature clearly identified that consciousness of kind, moral responsibility, and shared rituals and traditions are present in members of brand communities, what is *not* clear is when these three characteristics are developed. McAlexander et al. (2002) ethnographic study of brandfests suggests that these characteristics are developed in members *after* participating in brandfests. They report that, "…these characteristics of brand community did not all and equally exist before the brandfest events (p.42)." In line with McAlexander et al. (2002), in this paper we argue and provide empirical support for the positive relationship between online brand community participation and the three brand community characteristics.

In order to develop new scales, an initial list of items was generated based on the review of relevant literature on brand communities and virtual communities. These items were examined by a pool of experts and four members of different online brand communities for ambiguity, clarity, and relevance to the domains of the constructs. In the first study, data were colleted from a convenience sample of 328 students. A number of internal consistency and item-based statistics were examined for item retention. The goal of this study was to refine the initial list of items that was generated.

In the second study, data were collected from members belonging to six Yahoo groups formed around different motorcycle, car and camera brands. Yahoo! Groups were chosen for the following reasons: Yahoo! Groups is the most popular and well-known provider of electronic mailing list facilities compared to Google groups, or MSN groups. Also, for any group formed around a particular brand, it was found that Yahoo! Groups had the largest membership compared to Google or MSN. Additionally, similar to McKenna and Bargh (1998), only those groups with at least 400 posts/month for the last six months were included in the survey. A web based survey hosted by surveymonkey.com was utilized for data collection. After discarding incomplete responses, there were 470 usable responses. The majority of the respondents were from the USA. Ninety-two percent of respondents were male.

Data were analyzed using SPSS and LISREL 8.51. All of the four scales exhibited acceptable level of reliabilities of alpha $\geq 0.70$. Convergent and discriminant validity of the constructs was assessed as suggested by Fornel and Larker (1981). All the three hypotheses were supported. Online brand community participation is positively related to members' consciousness of kind ($\alpha$=0.67, t=13.10), shared rituals and traditions ($\alpha$=0.53, t=9.58) and moral responsibility ($\alpha$=0.72, t=11.69).

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# Responding to Ethical and Competence Failures

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## EXTENDED ABSTRACT

Extant research on failures has typically not considered the effect that the firm's response has on consumer perceptions (Folkes and Kamins 1999). The present research reports the results of two studies that examine the effects of alleged failures by the firm and different responses of the firm on consumer's attitudes towards the firm. Specifically, the first study establishes the interactive effect of failure (ethical or competence) and the firm's response (denial, acceptance or no response) on consumer's attitude and examines the mediating role of trust and affective responses. The second study extends this result by examining the effect of knowing the true outcome of the allegations (whether the allegations were found to be true or not) on consumer evaluations of the firm.

A review of the literature suggests three broad approaches to responding to allegations of failure-deny, accept responsibility, or not respond (Tybout, Calder, and Sternthal 1981). Accepting responsibility for a failure has been shown to help in reducing the negative emotions felt by the aggrieved person (Tomlinson, Dineen, and Lewicki 2004) but others have argued that accepting responsibility for a failure is likely to strongly link the negative event to the brand in the minds of the consumer (Johar 1996). Similarly, some researchers have argued that denying the allegations is more effective than accepting responsibility for a failure, while others have found that denying responsibility for a failure results in a decreased level of trust in the firm (Sirdeshmukh, Singh, and Sabol 2002).

Therefore, the effectiveness of accepting responsibility or denying allegations would appear to depend on some factor other than the type of firm response. Researchers have identified that consumers typically attribute two separate characteristics to firms–competence and ethics (Dacin and Brown 1997). While competence deals with decisions affecting the ability of the firm to produce goods or deliver services in a capable manner, ethics deals with the moral aspect of conducting business. Interestingly, failures can occur on both these dimensions. The research on dispositional inferences suggests why people might perceive competence and ethical failures differently. Reeder and Brewer (1979) argued that people infer different information from competence and ethical failures. People believe that ethical people always behave ethically, but unethical people can behave both ethically and unethically at times. On the contrary, the belief about competent people is that they can at times behave incompetently, but incompetent people can never behave competently because they lack the ability to do so (Skowronski and Carlston 1989).

In the context of a firm, assume that an allegation of ethical wrongdoing by a firm surfaces in the media. If the firm accepts responsibility for the failure, it means that a consumer knows with certainty that the firm did something that was not expected of it. This, as argued previously, will generate negative affective reactions. Further, since the acceptance relates to a failure in the ethical dimension, the information is highly diagnostic in inferring the character of the firm. This will lower the trust and result a less favorable attitude to the firm. However, if the allegation is denied, consumers would not readily be able to associate an ethical failure with the firm (Riordan et al. 1983). Therefore, consumers are relatively less likely to experience negative emotions. Further, since the denial makes the information less diagnostic, it is less likely to lower trust or attitude to the firm (Folkes and Kamins 1999).

When it comes to allegations of a competence failure, even if the firm accepts responsibility for the failure, it does not provide diagnostic information to the consumer about the competence or incompetence of the firm. Since consumers assume that competent firms can also at times falter, accepting the failure is less likely to lower trust. However, by accepting the failure and working on a resolution (e.g., apology), the focus of the consumer is likely to be on the resolution and not on the failure (Ohbuchi et al. 1989). This shift in the focus is likely to reduce negative emotions associated with the failure (Folkes 1984). If a competence failure is denied, it will limit the association between the alleged failure and the firm. But the denial also signals unwillingness on the part of the firm to initiate a failure resolution. This is likely to increase the negative emotions associated with the failure (Smith and Bolton 2002).

As expected, the results of the first study finds that denying an ethical failure results in a more favorable attitude to the firm compared to accepting responsibility for the failure. However, the results were less clear when the allegation related to competence failure. Accepting responsibility for a competence failure resulted only in a directionally more favorable attitude to the firm compared to denying the allegations. A mediation analysis supported the argument that trust and affect were critical in shaping consumer's response to the failure. The second study addresses the question of what happens when the allegations are later found to be true or false.

The results of the second study indicates if the allegations have an element of truth, it may be better to accept the failure initially and work on a recovery process, rather than deny the failure initially and then respond after the truth becomes known with certainty. Although denying an alleged ethical failure was better than accepting responsibility, using a denial as a cover up seems to have very serious repercussions when the allegation are fond to be true. Even for ethical failures, consumers seem to be willing to give some credit to the firm when it accepts the fault and starts to work on repairing the damage. When evidence of a failure is known with certainty, it may be better to accept the failure and work on regaining the lost trust. However, if one is sure that no failure has occurred, denying the error initially is the better course of action, because both immediately after the response and after the truth is known the attitude continues to be relatively more favorable.

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# Making Probability Judgments of Future Product Failures: Packing versus Unpacking the Problem

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## EXTENDED ABSTRACT

While making product use or purchase decisions, consumers often make explicit or implicit judgments regarding potential product failures in the future. In a related vein, through advertisements and other actions, managers and regulators often have the flexibility to influence what types of information are presented to consumers. For instance, in their magazine advertisements and package inserts, anti-depressant drug PROZAC® unpacks the adverse reactions related to "digestive system" in the form of "nausea, diarrhea, anorexia, dry mouth, and dyspepsia."

Prior research has found that people often do not follow the extensional logic of probability theory while making probability judgments and are frequently influenced by the information format (Kahneman et al. 1982). Specifically, in the context of the PROZAC® example outlined above, would consumers have differential judgments for "packed" ("adverse reaction related to the digestive system") versus "unpacked" ("adverse reaction in the form of nausea, diarrhea, anorexia, dry mouth, and dyspepsia") information? Prior research (e.g., Fiedler and Armbruster 1994; Rottenstreich and Tversky 1997; Tversky and Koehler 1994) would suggest that people would have a higher probability judgment for potential adverse reactions for the unpacked than for the equivalent packed condition. This is because people tend to assign probabilities to descriptions of events, called *hypotheses*, rather than to actual events (Tversky and Koehler 1994). As a result, consumers' probability judgments for the focal hypothesis relative to the alternative hypothesis are influenced by how events are described. In this context, Support theory "predicts that the judged probability of an event increases by unpacking the focal hypothesis and decreases by unpacking the alternative hypothesis" (Rottenstreich and Tversky 1997, p 406). Support theory also predicts that the judged probability assigned to an unpacked description of an event is greater than the packed description (Tversky and Koehler 1994). Hence, when the description of an event is unpacked into its individual components, people are likely to assign an overall higher probability judgment for the event's occurrence. This phenomenon has been termed as "subadditivity" in probability judgments. Many other research streams (e.g., Fiedler and Armbruster 1994; Fischhoff, Slovic and Lichtenstein 1978; Teigen 1974, 1983) have found similar patterns of results.

We extend the basic premise of information packing/unpacking, and examined scenarios where participants themselves generated the unpacking variables, unlike as in prior studies where participants were given explicit unpacking questions. We also examined how prior general negative/positive experiences with the product can influence the evaluation outcomes for packed versus unpacked information formats.

When a consumer is asked to make probability judgments about future product performances, in light of past experiences, in essence it translates into making a conditional prediction. Conditional predictions conform to the format of asking participants the probability of an outcome $y$, given condition $x$ has occurred (Koriat, Fiedler, and Bjork 2006). In the context of the present research, $y$ can be conceptualized as the probability judgment regarding future product failure, while $x$ can represent past experiences with the product (e.g., negative experience in the form of product failures). Koriat, Fiedler, and Bjork (2006) found that "in making conditional predictions, people are subject to a prediction inflation bias, over-estimating the likelihood of occurrence of the stated outcome given the stated envisioned condition" (p. 430). This implies that if people have had prior negative experiences with a product class, they are more likely to have unfavorable predictions regarding future product failures. However, more interestingly, people are likely to have a greater level of prediction inflation bias, when they can build "a causal scenario leading from the condition to the outcome" (Koriat, Fiedler, and Bjork 2006, p. 443).

We are proposing that a general negative experience with the product in the past, would lead to a stronger causal mapping in the "packed" data condition, since a general experience can be more directly mapped with a general (than specific) problem in the future. In contrast, when the questions are unpacked, consumers are less likely to form a direct causal mapping between the past experience and making the conditional prediction regarding the future, for more specific problems. Hence, we hypothesized that a general negative product experience in the past would enhance probability judgments regarding future product failures to a greater degree when the problem is packed (than unpacked).

In contrast, prior general positive experiences with a product would lead to lower probability judgments regarding future product failures, to a greater extent for unpacked (than packed) conditions. This is because, since reliable performances by a product is the norm (Meyvis and Janiszewski 2002), there will be a greater degree of "seizing" and "freezing" for the focal hypothesis under prior positive experience conditions (Kruglanski and Freund 1983).

In Study 1, the results of a 2 (packed vs. unpacked) X 3 (negative prior experience vs. positive prior experience vs. no prior experience) between-subjects experiment supported our hypotheses.

The two critical questions asked in Study 2 were: (1) Do participants have higher probability judgments of future product failures for "packed" versus "unpacked" formats when they themselves generate the unpacking variables? (2) Do participants have increased probability judgments for unpacked versus packed conditions, in an increasing linear fashion? That is, if 4 levels of unpacking lead to greater probability judgments than a packed scenario, will a 12-level unpacking lead to an even greater probability judgment? We hypothesized that when the generation of unpacking variables is easy, consumers would have a higher probability judgment of future product failure for the mentally "unpacked" than "packed" conditions; when the generation of unpacking variables is difficult, consumers would have similar probability judgments of future product failure for the "unpacked" and the "packed" conditions. Moreover, these hypothesized relations will become stronger for high (vs. low) need for cognitive closure participants. The results of 3 (packed condition vs. unpacked with 4 variables generated vs. unpacked with 12 variables generated) X 2 (Need for Cognitive Closure: High vs. Low) between-subjects experiment supported our hypotheses.

Combined, the two experiments showed that a general prior negative experience had a stronger impact on participant judg-

ments, for future product failures, in the packed (than the unpacked) condition, with the pattern of results getting reversed for prior positive experience with the product. Also, when asked to generate the unpacking variables, participants had higher probability judgments of future product failures only when they were able to generate the unpacking variables with relative ease.

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# Consumers' Evaluation After a Service Encounter: The Effects of the Actions of Company Unrelated Party

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## EXTENDED ABSTRACT

Existing literature has shown that consumers' evaluation after a service encounter is determined by the performance of the company and the extent to which consumers attribute the performance to the company (Bitner 1990; Griffin, Babin, and Attaway 1996). Particularly, it is documented that consumers react more negatively to unexpected negative outcomes to the extent that the outcomes are the results of a company's actions and that the actions are relatively stable and are under the company's discretion (i.e., stability and controllability). Studies thus far share a focus on how a *company's* actions and the characteristics of these actions determine consumers' postpurchase evaluations. Yet, we argue that this view is inadequate for a full understanding of the evaluation process. Clearly, for most situations in real life, the actions or decisions of a company happen *within* a dynamic context where the actions of other parties also change. Failing to acknowledge the joint effects of the actions of a company and that of another party on consumers' evaluation after a service encounter will undermine our full understanding of the process. In the present research, we studied the joint effects from an attribution perspective.

To begin, we hypothesized that consumers would generally respond more negatively to a service failure when the actions of a company committed before the failure were seen as more mutable (Kahneman and Miller 1986). This is because the highly mutable company action provides a cue for consumers to hold the company accountable for the service failure. And this tendency is further reinforced by the cognitive inertia in rejecting an initial belief once formed (*a.k.a.* confirmation bias, Snyder and Swann 1978). More importantly, however, we proposed that this effect would be attenuated when another party involved in the situation had done something unusual or abnormal. This is because the presence of unusual aspects in a situation should somehow break consumers' cognitive inertia in rejecting a prior belief. They may now feel compelled to consider additional alternatives that may explain the service failure. Thus, albeit the presence of highly mutable elements in the company's part, consumers are less inclined to hold the company accountable. In sum, we expect that consumers' evaluation of a service failure should be a joint function of the action of a company and that of another party, and that this interactive effect should be driven by the tendency to ascribe the failure to the company.

Study 1 tested the focal interaction by manipulating a company's action (the commencement date of annual sale was kept unchanged vs. the commencement date was changed) and consumers' behavior (they visited the usual store vs. they visited a store that they rarely went to). Across all four conditions, the participants experienced a purchase failure–that is, the target laptop computer that they intended to buy was out of stock. Undergraduate students participated in this study in exchange for course credits and were randomly assigned to one of the four conditions. After they read the scenario, they reported their dissatisfaction toward the service failure.

Results of this experiment support our prediction. An interaction between the mutability of company's action and the behavior of consumers was found. Consistent with our contention, respondents were more dissatisfied when the company changed the date than when it did not. More importantly, these effects were tempered when the consumers visited a store that they rarely visited than when they went to the usual store.

Study 2 was conducted to show that the focal interactive effect was driven by the attribution of the service failure to the company. We replicated study 1 with the addition of attribution measures and a thought listing task. Consumers' evaluation of the service encounter was captured by their negative postpurchase intention. Again, we obtained support for the focal interaction. The focal interaction emerged on both the negative postpurchase intention and the attribution ratings. More importantly, the mediation analyses supported our argument that the focal interaction was driven by the tendency to hold the company accountable for the failure. The thought protocols from the respondents further showed that the relative proportion of company related thoughts versus company unrelated thoughts mirrored their tendency to hold the company accountable and their negative postpurchase intention.

A third study reported in general discussion section replicated the key findings in another context. In this study, the other party existing in the situation referred to a partner company (whether there was a machine breakdown in the partner company). Thus, the three studies taken together show that consumers' evaluations after a service encounter are not only governed by company's related issues but also the actions of parties (customers and partner company) that are independent of the company. Implications of the findings are discussed.

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# It is not Whether You Win or Lose, But How You Play the Game: The Role of Memory in How Consumers Feel After Lying

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## EXTENDED ABSTRACT

*Sam is about to finalize the negotiation for the SUV he has had his eye on at ACME used car lot. He left the lot last time promising that he would look around for a better offer on a similar vehicle. Sam weighs his options, he can tell the truth, he was unsuccessful in finding a better deal, or he can lie by telling the dealer he found a comparable SUV on sale privately for $300 less than ACME's asking price. He hates lying, but he believes the dealer is overcharging for the vehicle.*

Research investigating deception in marketing has focused on acts of deception by marketers and their effect on the consumer (i.e. Burke et al. 1988; Gaeth and Heath 1987). There are at least two parties in every exchange of information. The objectives of this study are to investigate how lying during a negotiation with a salesperson can affect the consumer's affective reactions to the encounter and whether the consumer's memory of the exchange will moderate the relationship.

## The Risks Involved with Lying

When entering into a negotiation with a salesperson, a consumer must choose a strategy for the exchange. At the most general level, the consumer must decide whether they will tell the truth about the information they have or not. Lying should reduce the risk of an unsuccessful outcome (Aquino 1998; Lewicki and Litterer 1985; Lewicki and Stark 1996; O'Connor and Carnevale 1997). However, lying during a negotiation may increase the risk of experiencing negative feelings such as guilt, shame and/or regret (Ellsworth and Tong 2006).

## Affect and Perceptions of Fair Play Associated with the Outcome

Consumers that navigate the negotiation such that they get a good deal will feel positively toward the outcome of the negotiation while consumers that do not successfully negotiate an outcome will feel negative affect toward the experience. However, the strategy taken during the negotiation may moderate the affective reactions resulting from the positive or negative outcome. Truth tellers may feel no negative affect in a deal situation and plenty of negative affect when facing an unsuccessful outcome because they told the truth and did not receive the expected deal. Liars may not experience different levels of negative affect when they face an unsuccessful outcome compared to when they get a good deal. Why? When liars get a deal they should feel more negative affect because they got something they didn't deserve (Baumeister, Stillwell, and Heatherton 1994; Skitka, Winquist, and Hutchinson 2003; Van den Bos et al. 2005). When liars face an unsuccessful outcome, they should feel relief because they didn't get something they didn't deserve.

## The Role of Memory

After the outcome of a negotiation between a salesperson and a consumer has been established, the consumer will reflect back on the exchange to make sense of the outcome and to determine whether both actors were 'playing fair.' Remembering the details of

the experience allows for an objective determination of the negotiators' behavior.

If the details of the exchange are not remembered well, then truth telling consumers might not be willing to report that they were behaving in a fairer manner than the salesperson. Incomplete memory for liars, however, may provide an opportunity for them to convince themselves that they were playing by the rules (Cowley and Farrell 2007).

## Method

One hundred and nine undergraduate students participated in a negotiation task. Students negotiated with a salesperson on-line. The outcome of the negotiation was associated with tickets to a lottery for a cash reward. The information provided to the participants for the negotiation task either encouraged them to tell the truth or to lie. The outcome of the negotiation was manipulated such that half the participants received a good deal, while the other half faced an impasse in the negotiation. After the negotiation, affective reactions and perceptions of fair play were collected, as well as memory for the exchange. Memory was measured with a free recall task which was coded and split into complete or incomplete memory.

## Results

When memory is complete, truth telling consumers report a higher level of negative affect in the impasse condition. Truth telling consumers may be: i] regretting their tactical decision to tell the truth or ii] feeling indignation at the lack of 'playing fair' on the part of the salesperson. It appears that truth telling consumers felt indignation that the salesperson did not play by the rules. They were more irritated and angry, but not more regretful in the impasse condition. When memory is complete, truth telling consumers report that they played more fairly than the salesperson in the impasse condition compared to the deal condition. This is consistent with the suggestion that truth telling consumers felt indignation because they played by the rules and the salesperson did not.

When memory is incomplete, lying consumers report a higher level of negative affect in the impasse condition. The lying consumers may have convinced themselves that they were playing by the rules and may have felt the same indignation reported by remembering truth tellers because the salesperson was not perceived to be playing by the rules. Lying consumers felt more irritation and anger in the impasse condition. When memory is incomplete, lying consumers report that they are more satisfied with their choice of strategy than the salesperson's choice in the impasse condition. Although the effect is only weakly significant, it suggests that the forgetful liar reacts the same way the remembering truth teller does to an impasse.

## Discussion

Forgetful liars convince themselves that they were playing by the rules when they are faced with an unsuccessful outcome to the negotiation: they report the same pattern of affective reactions as the remembering truth tellers. Importantly, we did not manipulate the completeness of the consumer's memory. It is unclear whether the forgetful liars were motivated to selectively remember the

experience or whether their incomplete memory affected their reactions to the outcome of the negotiation. This is a significant issue for future research.

The results also revealed that remembering liars reported similar levels of negative affect as forgetful truth tellers: both showed no difference between their level of negative affect for a deal and impasse. Remembering liars presumably experience more negative affect with a deal because they remember playing unfairly, while forgetful truth tellers may not be willing to judge the salesperson as playing less more fairly without a detailed memory of the exchange. The inability to report themselves as fairer players may have been reflected in their reduced feelings of pride. The bottom line, both matter, whether you win or lose and how you play the game.

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# The Role of Creative Cognitions on Consumer Feature Reliance

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## EXTENDED ABSTRACT

Creative thinking is prevalent in consumers' daily life. The existing creativity literature, has focused on identifying the antecedents of creativity (e.g., Burroughs and Mick 2004; Forster, Friedman, and Liberman 2004). This paper goes beyond by exploring the consequences of a creative process. Specifically, we predict that the types of creative process consumers utilize (generative or exploratory) affect consumers' reliance on various levels of product features, and ultimately their performance on categorization and memory tasks.

## Theory and Hypotheses

The cognitive approach of creativity is built on the Geneplore model, in which creative thinking is composed of the top-down generative and the bottom-up exploratory processes (Finke, Ward, and Smith 1992). When the generative type of creative cognition is in use, individuals generate a preliminary mental representation of a solution, or a "preinventive structure," as a primary element that guides the search for final solutions (Finke et al. 1992). The preinventive structure, which may appear in the form of an idea, a concept, a picture, a sound or even just a feeling, points out the direction to solve a particular problem. On the other hand, when the exploratory type of creative cognition is employed, individuals evaluate different contexts or perspectives, and search for limitations and meanings that may attach to potential solutions. Such evaluations and searches will lead individuals toward certain directions and away from others (Moreau and Dahl 2005).

Types of creative cognitions consumers have can either be determined by situational factors or individual intrinsic preferences. For example, Moreau and Dahl (2005) show that, depending on the specific creative task, generative or exploratory creative cognitions may become dominant. In addition, difference can also be observed at an individual level. When looking for solutions for a problem, some consumers emphasize on coming up with ideas via a generative process, others focus on examining the existing resources and limits via an exploratory process. We expect that once an alternative cognition (generative or exploratory) is adopted, through either intrinsic personal preference or situational priming, it will trigger reliance on different types of brand or product features.

The generative type of creativity process often relies on abstract thinking. Individuals will focus on the ideals and goals that need to be achieved and come up with an abstract concept or idea that could represent the solution of the focal problem. Consumers engaging in the exploratory type of creative process, however, evaluate and interpret the preinventive structure from a concrete or specific perspective. They delve into the details in order to use the existing information/resources to the maximal degree. Therefore, generative creativity attracts attention to abstract features while exploratory creativity triggers reliance on concrete features. Accordingly, we expect that when generative versus exploratory creative cognition becomes salient, consumers will exhibit differences in categorization and memorization.

## Categorization

The categorization literature suggests two broad approaches of categorization: goal based (i.e., products that serve the same goal or objective are grouped together) versus feature based (i.e., products that share similar features are grouped together) (Loken and Ward 1990; Ratneshwar et al. 2001). Since goal-based categories are constructed based on the abstract overall values or benefits (e.g., healthiness, cleanliness, happiness), we expect that it occurs more often with consumers who emphasize on abstract information. On the other hand, since feature-based categorization is constructed based on specific concrete product features (e.g., dairy content), it is more likely to be adopted by individuals who attend to concrete information.

Consumers who are chronic adopters of generative creativity construe solutions at an abstract level, and we expect that their reliance on abstract information will lead them to utilize more of goal-based categorizations. Consumers of the exploratory creativity type rely more on concrete information and tend to engage in feature-based categorization.

## Memory

Literature has shown that the more attention consumers pay to a particular piece of information, the better it will be registered in consumers' memory, and the more likely it will be retrieved later (Craik and Lockhart 1972). When generative (exploratory) creativity cognitions are salient, consumers tend to pay more attention to abstract (concrete) features, which will result in better recognition of abstract (concrete) information.

## Experiments and Analysis

Two studies were conducted to test the effect of creative cognitions on the level of product information consumers rely on. In the first study, we examine the first hypothesis in the context of product categorization. Individual preference of types of creativity is measured using a personality scale adapted from existing literature (Moreau and Dahl 2005). In the second study, we examine the second hypothesis in the context of memory of abstract versus concrete brand information, and creativity type is manipulated by asking participants to perform tasks that involve more of generative versus exploratory cognitions. Through a) using both situational prime and measure of individual preference of creativity types, and b) testing the robustness of the theory in both product categorization and memory contexts, we found consistent support for our proposed theory that whereas generative creativity leads to reliance on abstract information, exploratory creativity increases the use of concrete features.

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# A ReExamination of Post-Experience Advertising Effects: The Moderating Role of Accuracy Motivation

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## EXTENDED ABSTRACT

Many studies have shown that advertising messages preceding product experiences can affect product evaluations by creating expectations that are subsequently confirmed in a direct experience with the product (Hoch and Deighton 1989; Hoch and Ha 1986; Olson and Dover 1979). In an interesting extension of this research, Braun (1999) demonstrated that even when the advertising *follows* a direct product experience, it can still transform consumers' memory of the original experience and result in more favorable product evaluations. Participants were asked to taste a bad mixture of orange juice, described as a new brand. Those exposed to positive advertising messages after the taste experience provided more favorable evaluations and, when asked to identify the original juice from a range of options varying in taste, systematically picked better juices than the one they had originally tasted. This impact of advertising after actual experiences (i.e. after-the-fact) was referred to as the *post-experience advertising effect*. It is a novel phenomenon that has important implications for both consumers and marketers. While demonstrating the critical role of advertising for marketers, it also draws attention to the vulnerability of consumers to exaggerated advertising claims.

The effects of post-experience advertising were conceptualized based on cognitive theories suggesting that information acquired after an experience can transform people's memory of that experience (e.g., Garry et al. 1996). Braun (1999) argued that since memory is malleable, information from the advertising may be used to reconstruct the original experience, leading to an overshadowing of experiential information by suggestive advertising claims. Braun emphasized that the post-experience advertising phenomenon was not simply a matter of advertising affecting consumer judgments of a product in addition to or apart from the product information stored in memory, but that the advertising actually altered consumers' memory of the original experience. Although subsequent consumer research has uncovered some boundary conditions of the effect by showing that factors increasing the cognitive ability of the respondent (e.g. product knowledge and familiarity) tend to reduce the misleading effects of advertising (Chang 2004; Cowley and Janus 2004), the basic post-experience advertising effect appears to be a robust phenomenon.

All of the explanations offered for the influence of post-experience advertising have implicated cognitive factors, such as consumers' knowledge and ability, as the culprit of memory distortions caused by marketing communications. Our contention in this paper is that motivational factors have to be considered as well. McDonald and Hirt (1997) demonstrated that motivation not only biases what a person recalls from memory (biased memory search), but also how the contents of memory are interpreted (biased memory reconstruction). Since consumers have different types and levels of motivation when they experience products, process ad messages, or make purchase decisions, motivational factors may be expected to play a crucial role in how susceptible consumers are to the post-experience advertising effect. In a recent review article, Johar, Maheswaran and Peracchio (2006) make a similar point by stating that "Braun (1999) argued for a cognitive source memory explanation for [the post-experience advertising] phenomenon, but it is likely that motivation also plays a role" (p. 139).

The goal of our research is, therefore, to investigate the role of different types of motivation in post-experience advertising effects. In two studies, we replicate past findings on memory distortion due to post-experience advertising. However, we extend this result by introducing manipulations of accuracy during memory retrieval using diverse methods. We show that increasing accuracy motivation during memory reconstruction and product evaluation eliminates the effects of post-experience advertising. We also control for respondents' impression motivation and demonstrate that participants high in social desirability are more susceptible to the effects of post-experience advertising claims.

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# Protection of Prior Learning in Complex Consumer Learning Environments

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## EXTENDED ABSTRACT

A large number of hypotheses have been advanced to describe the adaptive learning process. The current research investigates consumer learning environments in which cue-outcome relationships evolve overtime, starting with very simple relationships (e.g., French cuisine ? high quality food) and ending with more complex ones (e.g., French cuisine, poor location ? high quality food, poor ambiance). Of particular interest is the influence of prior learning about one benefit (e.g., cuisine ? quality) on predictive learning about a second benefit (e.g., cuisine ? ambiance) when additional predictive cues (e.g., location, price point) are available, as is the case in many product categories (e.g., restaurants, wine, hotels). Associative-learning theories disagree about the extent to which new learning will lead to the updating of associations between product features and product benefits. An efficient-learning hypothesis, based on the work of Mackintosh (1975), proposes that consumers will use cues (i.e., features) that have been relevant before to predict new outcomes (i.e., benefits). A protected-learning hypothesis (Kruschke 1996; Kruschke and Blair 2000; Kruschke et al. 2005) proposes that consumers will protect learning about cues that have been relevant before and will not use these cues to predict new outcomes. A series of experiments favors the protected-learning hypothesis.

Experiment 1 investigated the role of previous feature relevance in subsequent learning about this feature in a task involving learning about restaurants. A total of 194 respondents learned that feature A predicted outcome 1 ($A \rightarrow O1$) and that feature B predicted outcome 2 ($B \rightarrow O2$). The learning procedure in stage 2 taught that features A and C predicted outcome 3 ($AC \rightarrow O3$), features A and D predicted outcome 3 ($AD \rightarrow O3$), and that features E and F predicted outcome 4 ($EF \rightarrow O4$). In the test phase, respondents decided whether AE, AF, CE, CF, DE, and DF predicted O3 or O4. If people learn as predicted by the protected-learning hypothesis, a respondent who has learned that feature A predicts O1 in learning stage 1 should be resistant to learning about feature A in the AC and AD in stage 2 trials and feature A should be a weak predictor of O3. Features C and D should become strong predictors of O3. While test compounds AE and AF should predict O4, compounds CE, CF, DE, and DF should predict O3. In line with the protected-learning hypothesis, respondents expected restaurants having the AE and AF features to have benefit O4 ($\pi_{O3}=.345, \pi_{O4}=.655$; z=4.53, p<.05) and the CE, CF, DE, and DF features to have benefit O3 ($\pi_{O3}= .575, \pi_{O4}=.425$; z=2.11, p<.05). Once people learned that feature A predicted O1 in learning stage 1, they became less likely to learn that feature A predicted O3 in learning stage 2, provided that feature A was also paired with feature C or D. People pay less attention to a feature that they have learned about in the past when novel competing features are available.

Experiment 2 investigated how cue irrelevance resulting from previous blocking of this cue influences subsequent learning. Traditional blocking evidence has shown that learning a relationship between one cue and an outcome blocks subsequent learning about a second, co-occurring, cue and the same outcome. The protected-learning hypothesis predicts that learning the irrelevance of a cue for predicting one outcome attenuates subsequent learning about this cue and *a different* outcome. This attenuated learning is not predicted by the efficient-learning hypothesis. Learning stages 1 and 2 consisted of a standard blocking procedure. In learning stage 1, respondents learned $A \rightarrow O1$ and $B \rightarrow O2$. In stage 2, they learned $AC \rightarrow O1$ and $HI \rightarrow O5$. We then asked respondents to select either O1 or O5 as the outcome for features CH and CI. If blocking was successful, CH and CI should predict O5. In learning stage 3, respondents learned $A \rightarrow O1, B \rightarrow O2, CD \rightarrow O3, CE \rightarrow O3, FG \rightarrow O4$. We then asked respondents whether CF, CG, DF, DG, EF, and EG predicted O3 or O4. Within-subject tests of responses by 61 participants showed that, as predicted by the efficient-learning hypothesis, they expected restaurants having features CF and CG to have benefit O4 ($\pi_{O3}=.312, \pi_{O4}=.688$; z=3.18, p<.05) and restaurants having features DF, DG, EF, and EG to have benefit O3 ($\pi_{O3}= .633, \pi_{O4}=.367$; z=2.27, p<.05). An additional analysis confirmed that the stage 1 and stage 2 learning resulted in blocking.

In experiment 3, respondents learned that a feature was relevant to predict a benefit and a second feature was irrelevant (irrelevance was learned in a blocking procedure as in experiment 2). These two features were subsequently paired to predict a new benefit, and none of the features acquired predictive strength of the new benefit, as indicated in the test phase with a similar procedure as the one in experiments 1 and 2.

Our research also suggests opportunities for applied research. In most mature product categories, consumers have lay theories regarding attribute-performance relationships based on prior experiences and/or learned information from advertising campaigns. One strategy marketers use to deal with decreasing sales in mature markets is to identify new uses and benefits for current products. Our findings indicate that when people have learned a given brand is associated with a benefit, they may be resistant to accepting the introduction of a new benefit for the current set of features.

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# The Effects of Outcome versus Process-Oriented Thinking on Decision Difficulty

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## EXTENDED ABSTRACT

Imagine that you are looking for an apartment to rent and are deciding between two options that entail an attribute trade-off. One apartment is spacious but far from your workplace; the other is closer but much less spacious. Construal level theory (Liberman and Trope 1998) suggests that when deciding between these two alternatives, consumers who engage in process-oriented thinking will prefer the smaller and closer apartment because they tend to focus on the feasibility of the alternatives, while consumers who engage in outcome-oriented thinking will prefer the larger and less convenient apartment because they tend to focus on the desirability of the alternatives. However, although earlier research has tried to predict which alternatives will be chosen in a situation like this one, research has not addressed the subjective experience of the decision process for outcome- and process-oriented consumers. In this paper, we examine the impact of process and outcome-oriented thinking on perceived decision difficulty.

Previous studies have recommended process-oriented thinking over outcome-oriented thinking because it tends to be more effective in helping consumers achieve their goals (Taylor et al. 1998), increasing the consistency of their preferences (Hamilton and Thompson 2007; Zhao, Hoeffler and Zauberman 2007), and making them more discerning in their use of ad information (Escalas and Luce 2003). Although these findings tend to favor process-oriented thinking, they are based on scenarios in which consumers are evaluating a single goal or product, rather than choosing among two or more alternatives. In this research, we investigate the effect of process and outcome-oriented thinking on decision-making difficulty. In a series of three studies, we present participants with trade-offs between two alternatives, involving desirability and feasibility attributes. Our central prediction is that when consumers are faced with these trade-offs, inducing process-oriented thinking will significantly increase decision difficulty relative to outcome-oriented thinking, affecting their likelihood to postpone choice and likelihood to select a compromise option at a later point.

Because outcome-oriented thinking triggers elaboration primarily on the benefits associated with attaining one's goals, the desirability of the goals is expected to be more salient than the feasibility of the goals when individuals are evaluating alternatives. In contrast, process-oriented thinking should activate action-outcome linkages, making both feasibility and desirability considerations salient to process-oriented individuals. Thus, for decisions that require tradeoffs between desirability and feasibility, the decision should be more difficult for those who engage in process-oriented thinking than for those who engage in outcome-oriented thinking. In turn, this increased difficulty may affect subsequent judgments such as satisfaction with the decision process, willingness to postpone choice, and likelihood to switch to a compromise option.

In a series of three studies using two product categories (apartments and dietary supplements), we present participants with choice sets involving desirability vs. feasibility trade-offs (e.g., presence of vitamins vs. number of required tablets per day) and give them instructions to adopt either outcome-oriented or process-oriented thinking. In study 1, we find that process-oriented participants indicated significantly greater choice difficulty and lower

satisfaction with their decisions than outcome-oriented participants. Supporting our proposed mechanism, process-oriented thinking seems to increase the difficulty of making attribute trade-offs by encouraging consumers to focus on both the feasibility and desirability of the alternatives. Study 2 shows that participants instructed to use process-oriented thinking reported significantly more choice difficulty and more willingness to postpone choice than participants instructed to use outcome-oriented thinking, regardless of the vividness of the alternatives. Moreover, process-oriented participants were more inclined to select a compromise option than outcome-oriented participants. Finally, study 3 demonstrates that process-oriented thinking decreases the spreading of the alternatives. We find that the tendency to perceive the alternatives as more similar in attractiveness (lower spreading) mediates the negative effect of process-oriented thinking on decision difficulty. Supporting our prediction, analyses of participants' thought protocols suggest that process-oriented thinking makes decisions more difficult by encouraging consumers to focus on the process of using a target product as well as the outcomes. Process-oriented participants feel more conflicted when choosing between a desirable option and a feasible option because they tend to elaborate equally on both dimensions (forming action-outcome links), compared to outcome-oriented participants who focus primarily on desirability information (end benefits).

Our research adds to the literature on consumer decision making by exploring a factor independent of the choice set or attributes of the alternatives that affects preference fluency: the subjective feeling that choosing is easy or difficult. In addition, our results extend the literature on process- and outcome-oriented thinking by showing a negative effect of encouraging participants to engage in process-oriented thinking during decision making. Although process-oriented thinking can aid goal implementation, our findings suggest that it may hinder decision making, especially when consumers must make trade-offs between desirability and feasibility attributes.

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# The Persistence of Fictional Character Images beyond the Program and their Use in Celebrity Endorsement: Experimental Results from a Media Context Perspective

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## EXTENDED ABSTRACT

When consumers recollect media personalities familiar from television or movies, they think of them either as an actor or as the fictional character played by this actor. For instance, when consumers watch TV and Daniel Craig (the current James Bond actor) appears on the screen, they can perceive him as "this is Daniel Craig" or "this is James Bond." Celebrities known from film and TV can give endorsements *in character*–i.e. playing fictional roles in films and also in commercials. A celebrity known from fictional media is a composite of his or her fictional roles (McCracken 1989, 312). His/her image therefore depends not on the actor's qualities as a private person or celebrity, but on the qualities created in the stage persona in TV series and films. The fictional media provide information on fictional character traits that consumers may use to evaluate endorsers in-character. In this paper, we consider whether an appropriate media context–that creates the stage persona of an endorser–compared with an inappropriate media context for an in-character endorsement, can enhance the evaluation of ad characteristics and the evaluation of the endorser's perceived expertise and trustworthiness.

Several research findings on media-context effects support the hypothesis that congruency between the program and the advertisement with respect to characteristics like mood, feelings, involvement, humor, etc. leads to greater advertising effectiveness. A theory that is frequently cited as a possible reason for these effects is the congruency/accessibility hypothesis (Goldberg and Gorn 1987). A subsequent stimulus that is congruent to the media context is easier to perceive and process. This ease of processing is associated with a positive affect (Winkielman and Cacioppo 2001). The thematic congruency between program and advertisement is of major relevance in this paper, since an endorsement in character in the context of an appropriate program, forms a thematic connection between program and advert. Therefore, this paper deals with the issue of which fictional media context (thematically congruent or incongruent) represents the best placement for an in-character commercial. In order to address this issue, we conducted two studies analyzing different media context conditions. In Study 1, we compared one media context including an actor as a character congruent to the in-character advert, with another media context including another actor in another role (incongruence). In Study 2, in both media context conditions, the same actor was presented, but in a role that matches, versus one that does not match the in-character advert.

When program and advertising overlap–for example, when the advert features a character in a scene similar to one in the film or TV series–the advert represents a continuation of the film or TV series, and may evoke a more positive response due to viewers' familiarity with the character and the advertising story.

H1: The presentation of an in-character endorsement within a congruent fictional media context results in more positively perceived ad characteristics than a presentation of an in-character endorsement in an incongruent fictional media context.

Accessibility may also be the reason why information about fictional characters persists over time. When considering fictional worlds, the term celebrity is taken to mean the fictional characters rather than actors themselves (Stern, Russell, and Russell 2007). Here, we have to differentiate between two cases. In a long-term perspective, consumers are able to build up a parasocial relationship with a fictional character and come to regard this character as a friend or counselor. Thus, fans might also rely on the advice of the person playing this character if they see him or her advertising a specific product. However, when we–as in our studies–consider a rather short-term persistence of character images and consider media context effects, even if there is no close relationship between the recipient and the fictional character, a film character presented in a program might prime viewers, so that they evaluate this endorser as more competent and trustworthy. In our first study, we assume that consumers who watch a TV series will consciously or unconsciously transfer the meanings of the fictional character to an advertisement, if the same actor appears as a celebrity endorser (congruent context). This is assumed to result in more positive evaluations of the endorser than in a media context, where this actor has not been presented in a preceding film, so that no knowledge on character traits is available (incongruent context). In order to rule out a mere repeated-exposure effect due to the *actor* and to analyze whether there are actually effects of the persistence of *fictional character* traits beyond the program, we present a second study, in which we showed the actor in both media contexts conditions, but in different fictional roles. Accordingly, we assume that consumers who watch a TV series will consciously or unconsciously transfer the meanings of the fictional character to an advertisement, if the same actor appears as a celebrity endorser in a role that matches (congruent context), compared with a role that does not match (incongruent context) the preceding media context.

H2: The presentation of an in-character endorsement within a congruent fictional media context results in a more positive evaluation of the endorser's expertise and trustworthiness than a presentation of the in-character endorsement in an incongruent fictional media context.

However, conscious reactions, such as an evaluation of a spokesperson or of ad characteristics, may be subject to contrast effects (Stapel, Koomen, and van der Plight 1996) or source monitoring effects (Johnson 2002). These phenomena refer to consumers' ability to identify the sources of potential influence and "correct" (or even "overcorrect", Stapel, Koomen, and van der Plight 1996) their memories. We therefore decided to measure consumer responses simultaneously with the perception of the stimuli. In this respect, we are interested in the positive responses to the advertisement in different media contexts and therefore used a measurement process that was also able to capture unconscious processes in relation to emotional approach behavior. In particular, we examined phasic arousal, measured by electrodermal registration, as evoked by the advertisements presented in a congruent versus incongruent media context. With respect to this approach

response, we assume that congruent information attracts more attention and is processed more effectively than incongruent information, because the subject of information is already in people's minds prior to the ad exposure.

H3: The presentation of an in-character endorsement in a congruent fictional media context results in higher phasic arousal reactions to the advertisement than a presentation of the in-character endorsement in an incongruent fictional media context.

The results of our experimental studies show that an endorser presented in a media context which is thematically congruent to the role presented in the advertisement leads to higher phasic arousal responses. These can be interpreted as more attention in terms of empathic approach responses. This result was consistent in both studies. Furthermore, the endorser's expertise and trustworthiness was evaluated as more positive in a congruent media context across both studies. Thematic congruence was not found to exert a clear affect on ad characteristics, with the exception of the enhanced evaluation of the advert as "easy to understand". This indicates that viewers understand the advertisement story better with the help of the associated film or TV series. Our results have implications for media selection for advertisements including celebrity endorsers known from TV or films. Future research conducted in this area should determine whether these effects are strong enough to impact product evaluations and choice. A further interesting avenue is to analyze whether the congruency between a fictional program and an advert has the potential to undermine evaluations if the associations being primed are negative rather than positive in nature. Level of "transportation" (Green and Brock 2000) into a fictional "world" should be considered in order to further understand the persistence of fictional character images beyond the program.

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# Evaluation of Brand Alliances: Product Fit and the Moderating Role of Brand Concept Consistency

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## EXTENDED ABSTRACT

Brand alliances or co-branding, involving combinations of two or more individual brands (Rao and Ruekert, 1994; Simonin and Ruth, 1998) is a growing marketing strategy. Even though brand alliances is arguably a close cousin to brand extensions, a surprisingly few studies have investigated this phenomenon extensively. The few articles in this area (e.g. Simonin and Ruth 1998) build on the underlying logic of brand extensions studies, using product fit as key variable in predicting alliance success (c.f. Völckner and Sattler, 2006). In brand extension studies, it has been shown that a positive effect of fit is not only a question of product fit, but also brand concept consistency (Park, Milberg and Lawson, 1991). Brand concepts are based on the motives consumers have for buying products and services, and brands can be classified as having either a functional, expressive, or experiential concept. Focusing on expressive and functional brand concepts, the current study extends the brand extension research investigating brand concept consistency to brand alliance. The purpose of this article is to get a richer understanding of the role of fit in attitudes toward brand alliances and investigate how brand concept consistency might moderate the effect of product fit.

## Method

We examined how product fit and brand concept consistency influenced attitudes toward an alliance using a 3 X 3 between subjects factorial design. In the experiment, three combinations of brand concepts (functional-functional, expressive-expressive and functional-expressive) and three levels of product fit (high, moderate and low) were pretested and used to form nine different brand alliances. The brands were combined in promotion alliances, in which each logo was displayed together with another logo. In the study, 180 undergrad students from a large European university were randomly assigned to one of the nine different versions of the brand alliance. Respondents first answered questions regarding familiarity with and prior attitudes toward the brands, second they provided answers of perceived brand fit, and finally after an unrelated filler task they were asked about their evaluation of the brand alliance. All of the measures used seven-point bipolar semantic differential scales drawn primarily from the work of Simonin and Ruth (1998). The dependent measure, attitude toward the alliance, was constructed as an attitude index using the average of 3 seven-point items (Cronbachs alpha=.93).

## Major findings

The main effect of product fit on attitude toward the brand alliance was significant ($F(2) = 14,375$, $p=.000$). The results confirm our predictions and show that attitudes toward the alliance of low fit were less positive than attitudes toward the alliances of high fit ($M_{low}-M_{high}=2.31-3.79=-1.48$, $p<.001$) and moderate fit ($M_{low}-M_{moderate}=2.31-3.44 =-1.13$, $p<.001$).

The main effect of brand concept consistency on attitudes toward the brand alliance was also significant ($F(2)=7,89$, $p<.01$). The estimated mean attitude toward the alliance was higher for functional alliances than expressive alliances ($M_{functional}-M_{expressive}=3.81-2.82=.99$, $p<.001$) and mixed alliance ($M_{functional}-M_{mixed}=3.81-2.92=.89$, $p<.001$). More interestingly, these results were qualified by a significant interaction effect between brand concept consistency and product fit on attitude toward the alliance ($F(4)= 2,57$, $p<.05$). The results reveal that for alliances of expressive brands differences between high and low fit are insignificant ($M_{high}-M_{low}=2.90-2.50=.40$, $p>.1$) whereas for functional ($M_{high}-M_{low}=4.65-2.93=1.72$, $p<.001$) and mixed alliances ($M_{high}-M_{low}=3.82-1.50=2.32$, $p<.001$), the differences on attitude toward alliance in the high and low product fit conditions are statistically significant.

The results in the experiment clearly confirm that perceptions of product fit have important implications for evaluation of brand alliances (e.g. Park, Jun, and Shocker, 1996). In addition, we demonstrate that brand concept consistency, not only the level of product fit, is an important variable in these evaluations. Alliances consisting of two high-product fit functional brands are preferred compared to expressive brand alliances and mixed brand alliances. The study further shows that for expressive alliances, there are no differences in the evaluation for different levels of product fit. It can be argued that expressive brands generally tend to have more superordinate brand associations, connected to the consumers' self image expression and group membership. Thus, it is likely that consumers will have more problems in evaluating the product fit of an alliance consisting of two expressive brands. Hence, the observation of no differences in evaluation of expressive brand alliances for different levels of product fit can be explained by both the consumers' general problems in evaluating the fit and that a necessary judgment process will demand effortful cognitive processing. We have not included any measures of cognitive processing in our study, for example cognitive responses, so we do not know to what extent the respondents reflected on our stimuli. On the other hand, there are no specific reasons of why the respondents should spend excessive cognitive efforts in evaluating the fit, since with did not introduce any specific reasons or motivations for effortful elaboration. Future research should take this into account and introduce involvement manipulations.

In the study we combined brands in promotional alliances and obtained the respondents general evaluations of these combinations. However, we did not include specific products or product categories in the alliances, and the respondents were asked to evaluate the alliances only in general. It can be assumed that by introducing specific co-branded products the evaluations of the alliance will differ depending on the fit between the alliance brands and the product. An important question is whether the results found in the present study depend on the type of co-branded product. For example would the importance of product fit for the evaluation of expressive brand alliances increase if the brands were combined on a specific expressive product? Future research should heighten external validity and introduce specific co-branded products with varying levels of fit with the partner brands

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# Need for Closure and Media Use and Preference of Young Adults

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## EXTENDED ABSTRACT

According to the uses and gratifications approach (Blumer and Katz 1974), people make different media choices depending on personal characteristics. Previous research points out that people use different media depending on their personality (Henning and Vorderer 2001; Kraaykamp and Van Eijck 2005; Persegani et al. 2002; Weaver 2003). People gravitate to particular kinds of media because they have particular personality characteristics, issues and/or needs that are either reflected in the media they choose or that the medium satisfies. Kraaykamp and Van Eijck (2005) suggested that personality is linked to a more general preference for more predictable, simple media types on the one hand versus more cognitively stimulating or unconventional media types on the other hand. In this respect, the personality characteristic -Need for Closure (NFCL)- seems very relevant. The need to obtain closure is related to cognitive processing and the approval of conservative, traditional ideas (Webster and Kruglanski 1994). Since different media and different genres and channels demand a different cognitive capacity and differ in predictability and traditionalism of ideas, NFCL can be expected to be related to the preference for specific media, genres and channels. In view of the potential relevance of the Need for Closure and the fact that NFCL has not been linked yet with media and program preferences, the objective of the current study was to shed some light on the relation between personality and preference for (un)structured, (un)predictable and (un)traditional media and genres by incorporating NFCL.

The personality characteristic Need for Closure (NFCL) reflects the desire for clear, definite, or unambiguous knowledge that will guide perception and action, as opposed to the undesirable alternative of ambiguity and confusion (Kruglanski 1990). A high NFCL is a motivation to draw a conclusion quickly and terminate cognitive processing related to the issue (Webster and Kruglanski 1994). High NFCL individuals neglect new, alternative information and views different from their own because high accessible structures (like pre-existing knowledge structures or stereotypes) afford immediate closure (Ford and Kruglanksi 1995), Low NFCL individuals are sensitive to new, alternative information and competing, divergent views when closure is "in danger" of forming. The main idea behind the NFCL theory is that individuals with a high NFCL level experience a negative feeling when closure is threatened and a positive feeling is evoked when closure is attained or facilitated. The motivation to avoid these negative feelings prompts activities aimed at the acquisition of closure and consequently biases the individuals choices and preferences toward closure-bound pursuits (Kruglanski and Webster 1996).

Based on previous research on NFCL on the one hand and the characteristics of particular media types on the other (TV viewing and listening to the radio are cognitively less demanding, more predictable and linearly structured compared to leisure activities like reading and Web surfing (Eveland and Dunwoody 2002, Eveland 2003, Spencer, Seydlitz, Laska and Triche 1992)), we expect that high (versus low) NFCL individuals watch more TV, listen more to the radio and to music, read less magazines and newspapers and spend less time surfing the Web. Furthermore, we expect that young adults with the same NFCL level have a preference for similar scopes of channels and genres across media. More specifically, we argue that high (versus low) NFCL individuals prefer more structured, predictable and traditional channels and genres.

In total, 1350 young adults (age between fifteen and twenty four), who were randomly addressed in a shopping mall or street, agreed to complete our questionnaire containing questions on their media behavior and need for closure levels. Furthermore, a panel of three independent judges who were unaware of the subject of the study, rated the newspapers, TV channels, radio channels, magazine types, TV program genres and music styles listed in the questionnaire on degree of cognitive stimulation, conventionality and predictability by ($\alpha$=.82).

Statistical analyses showed no significant difference for the amount of watching TV, listening to the radio or to music on weekend or weekdays, while significantly more low NFCL respondents read newspapers, read them on a more regular basis, are more likely to use the Web, use it more frequently and have a longer history with Web surfing. Furthermore, high NFCL individuals have a higher preference for light entertainment and TV guides; national music, and pop music, whereas low NFCL individuals prefer fiction, general news, science and alternative information/entertainment magazines, and alternative and street music. Moreover, high (versus low) NFCL individuals have a higher preference for more popular and straightforward newspapers, and vice versa for intellectual and alternative newspapers. Finally, high NFCL individuals rank ordered commercial, family TV and commercial pop/techno or family radio higher, whereas low NFCL consumers assigned a higher rank to intellectual and comedy/movie related TV channels and alternative or classical radio.

These results confirmed that high NFCL individuals are in favour of popular, straightforward, cognitive less constraining genres irrespective the medium that is under consideration, whereas low NFCL individuals prefer alternative, unpredictable, and intellectually stimulating things regardless the medium.

In general, our results show that the content of the medium is important rather than the delivery system. Although previous research would suggest that the choice of a particular medium is personality driven (e.g. Finn 1997; Henning and Vorderer 2001), it seems like different personality types can satisfy their needs in similar media (cfr. Cohen 2002; Schwartz and Fouts 2003; Weaver, 2003), McIlwraith (1985) also concluded that personality and preferred media content are associated rather than the particular medium (movies, books and music). Both the rejection of our "medium related" hypothesis and the confirmation of our "content related" hypothesis suggest that the medium itself has little to do with cognitive processes. Rather, the same medium could satisfy the needs of different personality types through very different content.

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# When I Grow Up: The Moderating Role of Aspiration in Intergenerational Code-switching

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## EXTENDED ABSTRACT

Code-switching refers to the practice of mixing languages, such as English and Spanish, within a sentence, a common practice among bilingual consumers (Myers Scotton 1983; Luna and Peracchio 2001, 2002, 2005abc). Existing research within the marketing literature examines the impact of code-switching on the persuasiveness of advertising messages directed at bilinguals (Koslow, Shamdasani and Touchstone 1994; Luna and Peracchio 2001, 2002, 2005abc). Specifically, the direction of code-switching has been studied primarily among bilingual consumers. For example, minority language (e.g., Spanish) slogans switching to the majority language (e.g., English) result in greater persuasion than majority language slogans switching to the minority language (Luna and Peracchio 2001, 2002, 2005abc).

The current study extends existing bi-lingual code switching research in the following two ways. First, existing bi-lingual literature (Luna and Perrachio 2005) investigates the code switching effect at the *group-level* (e.g. Majority and minority language speaking populations). However, the current research also investigates the consumer's reaction to code-switched ads driven by an underlying, *individual-level,* construct; aspiration level, and tests the role of aspiration as a moderating variable between code-switching and attitude toward the ad (Aad). Also, the current research contributes to the code-switching literature by introducing a social theory (aspiration) to the previous sociolinguistic treatment (e.g. Markedness Model, Accommodation Theory) of code switching.

According to bi-lingual code-switching research, the activation of the majority language culture and schemas (e.g. English) will lead to positive evaluation because minority language speakers (e.g. Spanish) have more positive associations with majority language and culture (e.g. English) and want to belong to a majority society (Luna and Peracchio 2005a, Luna and Peracchio 2005b). However, the current research suggests that majority language and culture schemas (e.g. older adults use of the standard English) in an intergenerational context will lead to negative evaluation because minority, or rather contemporary, language speakers (members of generation Y) may react unfavorably towards authority and disrespectful towards a majority (older adults) (Lauer 2006). The present research investigates the effect of values ("aspiration") on attitudes toward different language varieties used in advertising in intergenerational context.

In exchange for extra credit, 170 undergraduate Business students at a major southeastern university participated in the experiment. Subjects were provided with two different kinds of questionnaires that manipulated code switching direction with scenarios. Study 1 has two main purposes: 1) to test whether standard-to-contemporary English code switching in ad slogan will lead to more positive attitude toward the ad than contemporary-to-standard English code switching; and 2) to examine if aspiration moderates the relationship between code-switching and Aad.

A between subject experiment was conducted in which two factors were examined (2 x 2 ANOVA): code switching (standard-to-contemporary code switching or contemporary-to-standard code switching) and aspiration level (high or low). The code-switching factor was manipulated while the aspiration was measured. Older adults' formal English was designated as the standard English and Generation Y's simplified English as the contemporary English. Code switching was manipulated by two different scenarios respectively.

Study 1 results provide empirical support for the notion that for Generation Y, standard-to-contemporary code switching direction will lead to more positive attitude towards the ad (Aad). This research hypothesized direction effect with salience or marked contemporary English. Standard-to-contemporary code switching makes the contemporary language portion salient, or marked, as compared with the standard English, thus activating a Generation Y language and culture schema, which is related to with more positive association. This is an interesting result. Common thought would suggest that, if Generation Y prefers contemporary English, more contemporary English in advertising messages would lead to positive responses. Our findings show the counter-intuitive results. The results show that having one or two salient contemporary words in an advertising message leads to a more positive response from Generation Y than having many less salient contemporary words in an ad message.

Study 1 also supports the notion that aspiration level for the position of older adults moderates the relationship between the code-switching and Aad such that a high level of aspiration for the position of older adults leads to more positive Aad toward contemporary-to-standard code switching and more negative Aad toward standard-to-contemporary code switching. The hypothesized moderating role of aspiration is based on research which demonstrates that the individual's aspiration level would assimilate with the aspiration group. The individual's wish to belong to an aspiration group makes a positive self-standard language connection if he or she perceives that an aspiration group uses standard language. Thus, the more Generation Y members wish to belong to an older adults' group, the more their attitude is positive toward the ad message which has salient standard English (contemporary-to-standard). The current research suggests that even in the same code-switching direction, the impact of code-switching can be stronger or weaker depending upon each individual's aspiration level.

This research extends the existing code-switching literature by identifying an underlying individual level construct, aspiration level, which acts to explain or influence the effects of code switching. In the existing code switching literature, the framework presented is meant to be applicable to all situations in bi-lingual groups as a whole. The key questions here are, "Does code switching direction effect apply to all bi-linguals to the same degree? Is the consumer's cognitive or affective reaction to code switching driven by an underlying individual-level construct?" The current research extends the existing bi-lingual code-switching literature by examining aspiration as an *individual level* construct which explains the different effects of code switching. Additionally, in the socio linguistic and code switching applications, the Markedness model has been used mainly in multi-lingual socio-linguistic context and has been examined through how bilinguals produce code switched utterance. In our research, the Markedness model is extended to the perception of uni-lingual communication within an intergenerational context in an experimental setting. An aspiration level explanation is also offered in our application of the Markedness model.

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# FILM FESTIVAL

### "Disney Dreams in China"
*Eric Li, York University, Canada*
*Russell Belk, York University, Canada*
*Annamma Joy, Hong Kong Polytechnic University*
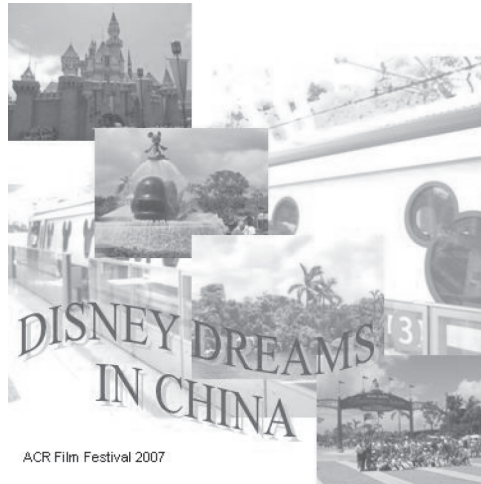


This research explores the meanings of "Disney Magic" in the new Disneyland theme park–Hong Kong Disneyland (HKDL). Our study investigates the translation of Disney Magic in HKDL and its the degree to which it is perceived this way among consumers. It finds that for Mainland Chinese visitors, Disney Magic is the key template for their experiences at the theme park and they come with a set of expectations conditioned since childhood exposure to Disney movies and cartoons. They seem willing to follow the carefully structured and mapped fantasy realization of their childhood dreams and report that they attain the ultimate goal of their trip–happiness.

### "Cross Border Shopping: Family Narratives"
*Raquel Castano, Tecnologico de Monterrey, Mexico*
*Maria Eugenia Perez, Tecnologico de Monterrey, Mexico*
*Claudia Quintanilla, Tecnologico de Monterrey, Mexico*
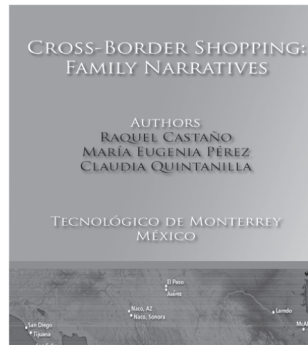


Cross border shopping is a common practice for Mexicans who live in cities near the US frontier. Through the examination of family rituals that are passed down from generation to generation and which construct family identity, and in the context of the concepts of globalization and malinchismo, this videography provides a framework on the experience of cross border shopping. Essentially this experience is constructed on narratives that move beyond the simple description of experienced events to provide explanatory frameworks and emotional evaluation of what these events mean to the individual. In-depth interviews with three generations of Mexican women were conducted.

### "Hoarding Behavior & Attachment to Material Possessions"
*Tresa Ponner, University of Sydney, Australia*
*Hélène Cherrier, University of Sydney, Australia*

In a society where buying new products is cheaper and easier than repairing, it is not surprising that much of consumer behavior has focused on the pleasures associated to a 'throw away society'. Intriguingly, informants in this study spoke about the utter joy they received in finding, keeping and passing on objects. They defined themselves as functional hoarders, individuals who accumulate objects privately

and are unable to dispose without clear conscious motivation or control. Through the use of video ethnography the dynamic nature of possession attachment and its obstruction to disposal practices is illuminated.

## "Stay-at-Home Dads Unite: Coping with Stigma and Isolation"
*Gokcen Coskuner-Balli, University of Wisconsin*

Based on video ethnographic research at Stay-at-Home Dad (SAHD) playgroups, 2006 SAHD convention and in-depth interviews, this film explores the challenges SAHDs face as they undertake the primary caregiver role and the strategies they employ to negotiate their gender positioning vis-à-vis more hegemonic masculinities. While prior CCT research has mainly studied consumption communities (e.g. Salomon snowboarders, Cova and Cova 2002; Apple computer users, Schau and Muniz 2002; Harley Davidson bikers, Schouten and McAlexander 1995) for what they do for individuals, the film discusses SAHDs' organized activities as collective efforts to transform what it means to be a man and a father.

## "Living a Theme"
*A. Fuat Firat, University of Texas-Pan American, USA*
*Ebru Ulusoy, University of Texas-Pan American, USA*



This video studies thematization, a phenomenon that has attracted much attention. Themed environments are all around us and there is an interest in knowing why this is a phenomenon of our time. The video raises the question as to whether this is a phenomenon of our time or a phenomenon that has been with us for a long time.

The video begins with images from Las Vegas, exploring the different sites and people's reactions. This phenomenon of people visiting, enjoying and appreciating themed environments, recognized by many astute observers of contemporary culture has resulted in a respectable sized literature, and several theses have been advanced. These theses are briefly reviewed in the video.

Two themes that are common to many of these theses are that (1) thematization is driven by corporations and (2) contemporary consumers are accomplices in the theming of the world. Davis (1999) sees theme parks as models of reality that identify issues that need solutions, and that also provide corporations with opportunities to have philanthropic answers to world's problems. Gottdiener (2001) further argues that many old themes are recycled in present day theme parks in which people find comfort and seek to actualize their consumer selves. Sorkin and colleagues (1992) see theme parks as the privatization of public space as well as a regulated and pleasurable substitute for the democratic realm. Ritzer (2004) also sees theme parks as centrally created and controlled, as spaces where space, things and people lose any personality becoming generic followers of scripts. Beardsworth and Bryman (1999) introduce the concept of quasification to emphasize that both those who engineer and those who purchase themed spaces are active and knowing accomplices. Finally, Baudrillard (1988) presents a postmodern perspective, where themed spaces are seen as timeless–that is, without a past, present or future–places that don't simply simulate reality, they constitute the real as the theme park–reality becomes the theme park.

The video then moves to EPCOT (the acronym for Experimental Prototype Community Of Tomorrow) Center, a theme park within Walt Disney World in Orlando, Florida, especially its World Showcase section featuring several countries of the world, to show segments from interviews with visitors to find out how they feel about themed environments. In these segments we find that many visitors have visited EPCOT several times and that they enjoy and appreciate the experience of visiting different 'countries'. It is seen that people do not seem discomforted by thematization, rather they see EPCOT as an experience of different cultures and places.

To explore why, the video continues with a visit to a city in Texas, San Antonio. This is a city that has become a tourist destination due to the historic site of the Alamo, but also because of the fact that the city's heart is built around the San Antonio Riverwalk. Many parts of San Antonio that can be considered to be themed areas are visited and observed, and it is noticed that these were not created as themed spaces, but as places for people to live in. The video shows people, tourists and residents of San Antonio, in their daily activities at these sites.

The video moves back to EPCOT Center where further segments from interviews indicate that people who visit EPCOT Center do not seem to be keen on making a distinction between theme parks and the world 'outside'. Then, images from many places, all around the world that can be seen as themed spaces are exhibited. The point is made that all of our humanly constructed environments are themed. Images from New York and Phoenix are displayed to further make this point.

The video concludes that intellectuals and scholars are more dedicated to maintaining a distinction between the thematic and the everyday, between the 'real' and the 'fantasy' than are lay people. It is suggested that this promises to be a fruitful issue to investigate.

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## "Luxury Value Pyramid: What are the Dimensions of Luxury"

*Junko Kimura, Hosei University, Japan*
*Hiroshi Tanaka, Hosei University, Japan*

This study aims to investigate the meaning of luxury to consumers. Luxury goods tend to be interpreted synonymous to excessive or conspicuous consumption. Solomon (2007) argued for a division of consumers into three groups based on their attitudes toward luxury: (1) Luxury is functional. (2) Luxury is a reward. (3) Luxury is indulgence. He claimed that as consumers' age, the more they required functional dimensions to luxury items. Although we agree with his theory as far as it goes, we believe that it does not go far enough. After conducting extensive in-depth interviews with female consumers in the United States and Japan, in which we explored the meaning of luxury, we created a luxury value pyramid consisting of luxury's dimensions.

## "Consumer Innovation in Online Computer Tuning Communities"

*Johannes Gebauer, University of Innsbruck, Austria*
*Johann Füller, University of Innsbruck, Austria*
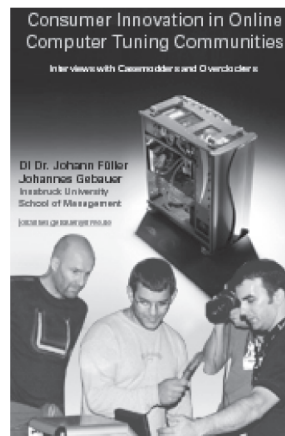


This movie introduces joint innovation creation activities in computer case molding and over clocking communities. Our documentary aims to provide in-depth insights into creative consumer behavior in online communities -beyond pure cognitive understanding -capturing emotions, gestures, and impressions of computer tuning valuable to get a deep understanding of online consumer innovation. The film explores why consumers modify and even create new computers. Further, it sheds light on the role of online communities during innovation creations and in the meaning and relevance of self-created computers for their builders. Our findings are based on 12 in-depth interviews conducted at the Games Convention in Leipzig, Germany in August 2006.

## "Body and Appearance Perceptions of Latino Youth"

*Samuel Doss, University of Texas–Pan American*
*Ebru Ulusoy, University of Texas–Pan American*



The "body" has been a focus of many philosophical and sociological debates. In modernism, "mind" was a more privileged attribute than "body." With the emergence of postmodern consumption conditions, the concept of the body acquired new meanings and importance. Additionally, perceptions of body by people in the consumer culture are getting more complex as it becomes the focus of many marketing practices. Marketing practices use and shape the perceptions of the body through advertising. Additionally, for consumers, body's relation with the concepts of self and pleasure makes it an important aspect of consumer culture. Studies examining the body and its perceptions are currently attracting scholars from different fields of social and behavioral sciences.

According to Gallagher (1986), body image is a complex phenomenon with at least three aspects: perceptual, cognitive, and emotional. In consumer society, it is this complex phenomenon that plays the determining role in the evaluation of the self. Turner (1994) argues that the surface of the body is the target of advertising and self-promotion, and body surfaces themselves are sites of stigmatization. According to Featherstone (1991), who states the notion of the body as a vehicle of pleasure and self-expression, "images of the body beautiful, openly sexual and associated with hedonism, leisure and display, emphasizes the importance of appearance and the "look""(p.170).

In the complex cultural context of consumer society, subjects are subject to many sociocultural influences (Thompson and Hirschman 1995). Today, extensive amounts of products and services related to the body are globally promoted by marketers. Joy and Venkatesh (1994: 337) propose:

> "Looking around us, we see the full force of marketing linking the body to numerous products and services–perfumes, fashion, clothing, dining, all kinds of sensual and pleasurable objects, exercise machines, fitness centers, dietary products, cosmetic surgical procedures and the like."

With the commodification of body, the body became something to be consumed through fashion, body modification, overall image and style. Thus, it became a part of production and reproduction of a desired identity by individuals (Velliquette and Bamossy 2001). In consumer culture, body and its parts have many symbolic meanings (Schouten 1991, Belk and Austin 1996). These symbolic meanings are the orientations for consumers to play with/alter their bodies and appearances. Regarding the symbolic perspective, "The term "body maintenance" indicates the popularity of the machine metaphor for the body. Like cars and other consumer goods, bodies require servicing, regular care and attention to preserve maximum efficiency." (Featherstone 1991: 170).

With the emergence of postmodern consumption conditions, specifically fragmentation, the body became to be perceived more in terms of its parts rather than being perceived as a whole. Consumers' fragmented perceptions are also substantiated by the fragmentation in the marketing activities that are promoting different products and services addressing different parts of the body. Firat and Dholakia (2000: 84) state this postmodern condition as:

> "Each body part-the lips, the hips, the thighs, the abdomen, the chest- is considered separately, each as a means of enhancing a required or desired image. In the process of (re) shaping or (re)dressing each body part, with marketability in mind in each there is a decontextualization of body parts and their perception as distanced from the individual's own being."

Taking these theoretical perspectives into consideration, we in-depth interviewed nine Latino students from The University of Texas-Pan American concerning their thoughts and feelings about their bodies and appearances. We also questioned their views of external influences, their ideal appearance, and what and how they change their appearances in regards to positive and negative considerations. The results of the interviews showed that interviewees' body and appearance perceptions are mostly influenced by their families and friends, their moods are closely related to how they feel about their bodies and appearances. The results also showed that bodies and appearances are considered fragmented, mostly in terms of clothing, weight and exercise, hair, and body ornaments.

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## "The Responsibility of Respect in the Marketplace: Opening Doors for Community"

*Carolyn Costley, University of Waikato, New Zealand*
*Lorraine Friend, University of Waikato, New Zealand*

The literature says little about respect as it pertains to the marketplace. Four cases from creative industries tell of how they live respect. Their stories reflect both provider and consumer perspectives. They feel responsible to accept individuals and protect people who walk through their doors. They call it respect; they think it should be the norm; and they expect it in return. They lived respect in listening and being heard, in empathizing and being understood, and in being considerate, honest and looked after. Although not mutually exclusive, the themes help us begin to craft a theory of respect's responsibility well-being.

# ROUNDTABLE
# Introduction to Structural Equations Models and Lisrel

**Discussion Leader:**
Dawn Iacobucci, Vanderbilt University, USA

**Participants:**
Pankaj Aggarwal, University of Toronto, Canada
Simona Botti, London Business School, UK
Katherine Burson, University of Michigan, USA
Jennifer Escalas, Vanderbilt University, USA
Americus Reed, University of Pennsylvania, USA
Breagin Riley, Northwestern University, USA
Nicole M. Verrochi, University of Pennsylvania, USA

Forty-five marketing scholars attended a two-hour Sunday morning session during which structural equations models (s.e.m.) were introduced. The session began with an overview motivation regarding when s.e.m. models are appropriate, how they are extensions of regression models and factor analytical models, etc. Three major classes of models were presented: confirmatory factor analysis, path models, and their combination in the full structural equations model. The models were discussed conceptually, and Lisrel syntax offered and explained for each. Advanced topics were also discussed, including how to incorporate moderators into s.e.m. models, how to look at mediations, what fit indices are expected to be reported, and briefly, how to think about multi-group analyses.

# Defining and Exploring Exorbitant Buying Behavior

**Discussion Leader:**
Alvin C. Burns, Louisiana State University, USA

**Participants:**
Stacey Baker, University of Wyoming, USA
Russell Belk, York University, Canada
Mousumi Bose, Louisiana State University, USA
Ronald Faber, University of Minnesota, USA
Judith Anne Garretson Folse, Louisiana State University, USA
James Gentry, University of Nebraska , USA
Thomas O'Guinn, University of Wisconsin, Madison, USA
Nancy Ridgway, University of Richmond, USA
Dennis Rook, University of Southern California, USA
Ann Veeck, Western Michigan University, USA
Lan Wu, California State University, East Bay, USA

Why do consumers have ten pairs of black shoes or fifty t-shirts or fifteen fishing rods? Questions like these have motivated us to explore "heavy" buying behavior more carefully and have led us to identify a phenomenon that we believe is different from those that have been studied earlier: compulsive buying, impulsive buying, excessive buying, collecting, fixated buying or conspicuous buying. Preliminary exploratory qualitative research has led us to define exorbitant buying as: An extensive buying of goods to augment one' inventory of goods (of a certain category such as shoes, clothing, tools and electronic equipments), for which a logical justification, defensible in the mind of the buyer, exists.

Moreover, based on our preliminary research, we have identified some key elements that characterize exorbitant buying:

- More articulated needs per product category and average or more products per articulated need.
  - o Owing to more refined preferences.
  - o Ever expanding list of needs to be acquired (exacting in the way products are differentiated).
  - o Elaborate consumption vocabulary.
- An insider-outsider phenomenon where the insider justifies the need for a product while the outsider deems it superfluous.
- A sense of being prepared and in control in response to current or anticipated event(s).
- Variety seeking based on needs.
- High self-control in terms of shopping.
- Active and purposive search for products.
- Short span of consumption of products:
  - o May have unused ones.
  - o Like to move on.
  - o Older products used sometimes/selective usage.
- No pronounced feelings of regret or guilt on the part of the buyer.
- May or may not lead to financial stress.

The roundtable was organized to present the above findings, to understand whether the participants agreed to the general definition of exorbitant buying and to know whether they recognize this phenomenon separate from all others that have been studied before. To this end, a pre-roundtable discussion was initiated amongst the participants and a summary of the discussion was also presented at the roundtable. The roundtable panelists comprised of members who are experts and have interest in the various types of buying that have been mentioned earlier.

The roundtable members acknowledged that exorbitant buying is a phenomenon different from all other forms of heavy buying that have been studied earlier and merits further investigation. However, the members suggested that the name "exorbitant" was value-laden and may hold different meanings for different people. Therefore, they suggested that the name should be changed to highlight the refined and articulated needs of the buyers. Some potential names may be "Micro-discriminatory consumer," "minute-difference, variety-seeking consumer," and "fastidious consumer."

It was suggested that the definition as was presented might be viewed as that developed from an "outsider's" point of view and the insider (buyer) may have a different perspective. What may be considered average in terms of buying may be different for the buyer (insider) compared to the non-buyer (outsider). Besides, the definition should contain elements to distinguish it from other forms of buying. Following these suggestions, the definition has been modified and an insider's point of view has also been considered. A probable definition is presented: An extensive buying to augment one's inventory of certain product categories (clothes, shoes, electronics), for which buyers have highly differentiated and articulated needs within product categories and buy accordingly, to satisfy their needs for personal consumption.

Finally, the roundtable members agreed that this phenomenon should not be positioned with other forms of heavy buying such as impulsive, compulsive, excessive or fixated buying. The aforementioned buying types portray an image of lower self-control whereas the buying type discussed at the roundtable comprised of individuals with greater self-control. Hence, this form of buying should be positioned along with average buyers though these buyers possess certain unique characteristics not shared by average buyers.

To summarize, with the changes incorporated, there was overall agreement that this buying type has not been investigated before and further research is important to better understand it.

Forty-five marketing scholars attended a two-hour Sunday morning session during which structural equations models (s.e.m.) were introduced. The session began with an overview motivation regarding when s.e.m. models are appropriate, how they are extensions of regression models and factor analytical models, etc. Three major classes of models were presented: confirmatory factor analysis, path models, and their combination in the full structural equations model. The models were discussed conceptually, and Lisrel syntax offered and explained for each. Advanced topics were also discussed, including how to incorporate moderators into s.e.m. models, how to look at mediations, what fit indices are expected to be reported, and briefly, how to think about multi-group analyses.

# Philosophy and Consumption: Discussions on Trust and Brands

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Consumers' brand trust makes brands more powerful. Moreover, whereas trust is part of good relationships, trust relationships often involve vulnerability. Further, trust is inherently asymmetrical, suggesting profound consequences for its ethical communication. By approaching discussions on trust and brands philosophically, we expanded approaches to, and investigations into, trust's modes, manifestations, and mappings that offer potentially productive insights for consumer research. Past years' Philosophy and Consumption roundtables have focused on 1) issues of materiality and 2) epistemological and ontological foundations and inspirations for consumer research. In this year's roundtable, discussions continued with a focus on "Trust and Brands".

Trust is one of the crucial components creating meaning in consumer-brand relationships, and thus in the branding process (see e.g. Fournier 1998; Holt 2002). From a philosophical viewpoint, trust can be seen as "reliance" on another's "good will". This definition suggests that there is an uncertainty resting in the other, as one cannot know for sure whether the other is dependable. Further, one party may have to trust more than the other in a trust relationship (Baier 1994). Thus, one party may rely more heavily on the other party's willingness to treat her justly. In other words, trust is inherently asymmetrical, and this has profound consequences for the ways in which it can be communicated ethically (Gustafsson 2005). Moreover, trust in brands has raised questions of ethical considerations partially in response to a basic consumer reality: Consumers rarely see what is going on behind the surface of the brand (see Holt 2002). For instance, brands can use visual representation to create an image of trust. For example, bank advertisements often make visual reference to stability and history by the use of design and pictures that feature e.g. heavy pillars and ancient looking designs (see Schroeder 2002). From a corporate perspective on trust relationships, Grayson, Johnson, and Chen (2008) suggest that corporations have to develop individual trust relationships with customers no matter how much customers trust the business context of the firm. These findings have important implications for corporate communication of trust, and bring to the fore the question of what actually constitutes trust in business. Philosophical considerations allow epistemological and ontological assumptions and concerns to emerge, encouraging reflective discussion that incites recognition of integral intersections, including those between consumer research, the ethics of consumers' brand relationships and corporate social responsibility.

The most prominent discussion point was the meaning of the concept of trust, especially in relation to brands and in relation to consumer research on brand trust relationships. As researchers, we all have different ideas about what trust is; this is a constant question and there has been a constant controversy about it. Do we, as consumer researchers, need a common definition of trust and brand trust or can we all have different definitions? Looking at brand trust from the legal side, goodwill is a key word and the brand can be seen as an embodiment of trust starting with the trade mark. When trust becomes separated from the brand and built in its own right, agency becomes a related issue to brand trust. In other words, consumers' capacity to act in the world impacts on notions of relationships and materiality (Borgeson 2005), and intersects with brand trust as brands are not necessarily trustworthy. Looking at global brands with outsourced production, they have become increasingly questioned from a trust perspective over the last few years, critics suggesting that the only thing that is there for consumers to trust is a relatively empty logo (c.f. Holt 2002; Klein 2000), implying ethically dubious consequences of brand trust. Participants largely agreed that there are different qualities of trust, making it possible for different consumers to trust the same brand to do completely different things for them. In addition, brand trust in each brand is dependent on the consumers' personal history with that particular brand, several roundtable participants argued.

The interpersonal dimension is really what makes trust relevant and interesting to the social sciences, and it is an integral part of the trust concept, several participants argued. The consumer-seller relationship is crucial to brand trust. Starting from that relationship, we can unpack the concept of trust to explore what brand trust means. This could firstly entail deciding whether we are talking about trust as a verb (trusting behavior) or an adjective (trustworthy) because these two constantly get intermingled. Trust may be about exposing oneself to risks, making oneself vulnerable to others (Levinas 1985). The salience of risk to the concept of trust should be explored further. However, for certain, consumers do not always calculate risk. Further, when there is a large risk involved, people actually pay more rather than less for brands. To look at the foundations of trust we could look at trust from a historical perspective and at how different trust is in different countries. Moreover, when only one supplier is available, the trust in that one supplier surprisingly tends to be very strong. In addition, often trust seems to become apparent or to come into existence only when it is tested. Thus, the brand trust becomes apparent, grows, or breaks, with *use* rather than at the time of purchase. Perhaps uncertainty is a better word than risk to describe an important

antecedent of trust. Then trust becomes an outcome of dealing with uncertainty. As discussions centered on trust and brands, the aim of this roundtable remained to open further philosophically aware investigations into the concepts and practices of trust and brands within consumer research.

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ROUNDTABLE
# Internet Tracking and Clickstream Data: Methodological Issues

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The theme of this year's ACR conference was building bridges. Our roundtable was in a unique position to build such bridges by fostering discussion and collaboration among industry and academics from two different disciplines (marketing and information systems) at all levels of the professoriate. Session participants communicated via email and through the ACR Knowledge Exchange Forum before the conference and some were able to meet for informal discussion before our scheduled session. In addition, participants indicated their interest in furthering the discussion after the conference by posting to the Knowledge Exchange.

We began by discussing the different types of navigational and tracking data that could and/or should be collected and noted that researchers and practitioners now are focusing more closely on clickstream rather than only Web log data. Sen, Dacin and Pattichis (2006) note the remarkable growth rate in the market for web analytics, but they also assert that most firms underutilize clickstream data because of a) data problems, including incomplete, messy and very large files; and b) too many analytic methodologies, including web-based, marketing metric, navigational and traffic methodologies. Our group agreed that both absolute data (e.g., number of pages visited) and relative data (e.g., comparison of the proportions of pages visited across sites) are useful, and that invariably second-order measures must be calculated from first-order data such as time per page or number of revisits. Some participants expressed interest in examining successful task completion of either information gathering or actual purchase whereas others were more interested in sequences of behavior (Hilbert and Redmiles 2000). We also discussed the usefulness of second-order measures of "linearity" or "lostness" (Smith 1994) in helping to understand individual's navigational styles and the desirability of linking mouse clicks with eye-tracking. The group noted the difficulties posed by tabbed-browsing, and were informed that the new version of FireFox will have a session id built into the history file. New methods of tracking use client-side logging to the server. In addition, the difficulty in recording the exit of a page has now been addressed with an auto PING feature that will allow the browser to send a final event to the server.

Next, we considered the best methods for analyzing this non-normal count and proportion data and determined that logistic regression, generalized linear models, cluster analysis and Bayesian methods should be used as appropriate for the particular metric (Bapna, Goes, Gopal and Marsden 2006). We also discussed the need to understand rather than simply describe online behavior. Various tactics are being used to produce this deeper understanding, including the linking of tracking data to that which pertain to individual differences in cognitive styles, Internet and topic expertise; video capture; and the collection of think-aloud protocols or interviews to try to determine if individuals are engaging in cycles of search or are hitting "dead ends".

We spoke about methods for linking various data sources, and how this could be best accomplished while respecting participants' privacy. Session cookies are of limited value in that they do not permit the collection of data pertaining to an individual over an extended period of time. However, the assignment of a unique participant ID and the development of individuals' profiles over time could compromise their privacy. Even with large scale search log data bases, the potential exists for identifying individuals if the search parameters are idiosyncratic, as the AOL fiasco in the summer of 2006 demonstrated (Barbaro and Zeller 2006; Hansell 2006; Zeller, Jr. 2006). Academics, industry analysts and privacy advocates also have raised concerns about the vast amount of data that is collected using passive devices, such as adware, cookies, spyware and Web viruses, to record online behavior (Marshall and Swartwout 2006). Such calls for privacy protection are warranted. One participant pointed out that data could be made anonymous if a random number generator were used to introduce "noise".

We briefly touched on methods for distributing incentives to remote participants. Draws for gift certificates or other cash prizes were found to work well. In addition, a professional Mass Pay account can be set up so that participants can be remunerated through PayPal. Short HITs (Human Intelligence Tasks) also can be set up on Amazon's Mechanical Turk (http://www.mturk.com/mturk/welcome).

We concluded our session by speaking about opportunities for further contact between academics in marketing and information systems with practitioners and consultants. The ACM World Wide Web conference (W3C) (www.2008.org) was recommended as a conference with substantial practitioner presence. The General Online Research (GOR) forum (http://forum.questionpro.com/jforum/forums/show/2.page) also may provide a point of contact for academics and practitioners. Finally, the group indicated that they were most interested in applying their findings in the spirit of transformative consumer research by, for example, helping consumers to navigate more efficiently, read and understand privacy policies, and make better use of online decision-making aids.

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# Conducting Consumer Research in India and China: Issues, Challenges and New Directions

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While cultural research in consumer behavior has examined consumers in India and China, there are many unanswered questions, especially with regard to how the rapid changes occurring in these markets are affecting consumption practices. The way consumption occurs in these markets has fundamentally changed in a short period of time, giving researchers an unprecedented opportunity to document how consumer cultures evolve and how consumer learning occurs.

This roundtable session was organized to examine some of the challenges and issues facing consumer researchers while conducting consumer research in these two countries. We conducted pre-conference discussions via an online group forum, used ACR's knowledge exchange website for some discussions, and had an informal meeting at the ACR reception on Friday to meet participants before the roundtable session.

We identified some key questions to begin our discussions:

1. Ontological/theoretical:
   a. Can we successfully use established consumer behavior theories or do we need to develop new ones to understand the consumption contexts found in China and India?
2. Methodological:
   a. What are some of the methodological hurdles in collecting data in China or India? What are some useful techniques to overcome them?
3. Expanding the Respondent/Subject Base:
   Consumers both in India and China are spread across a large spectrum of socio-economic differences. The focus in research has just now started shifting from focusing solely on the middle class, urban consumers. What are some specific challenges and insights that may come with researching BOP (bottom-of-the-pyramid) consumers?

Online participants (almost forty participants) asked whether theories from a Western Cartesian mindset can be used to gather and assess meaning-making processes in these cultures without bringing in a major cultural bias. Some researchers were interested in discussing the significance of historical influences and unique cultural aspects such as the caste system in India and its influence on present day consumption. Others wanted to know whether consumers in these countries exhibited any tensions in embracing consumption i.e. whether consumers thought that new products were a 'cultural invasion from the West.'

At the roundtable there were 19 participants, and we began our discussion by examining whether we were studying consumers in China and India to develop new theories, or whether these were just new contexts and therefore interesting only for that reason. Opinions on this were divided. Researchers working in cross-cultural research were of the view that cross-cultural studies using the same theories across cultures are a start at understanding the differences across cultures. Researchers that engage in cultural research were of the view that cross-cultural research ignores key cultural nuances and hence does not capture the essence of a culture and its uniqueness by using the same theory or methodology across cultures. Instead, the view was that studies in specific countries should focus on understanding the unique cultural nuances there to build theory from the ground up. This led to a broader discussion on the way to capture these cultural nuances best which led to questions about methodology.

Some researchers were of the belief that without interpretive and qualitative work, it would be difficult to understand the local conditions that affect consumer behavior and hence the research would not be very informative. Other researchers felt that in some areas,

it may be worthwhile to begin with quantitative studies based on existing theories and then to slowly adapt existing theories to the new cultural contexts. Some participants were of the view that agnosticity towards research methodology might be a good approach–wherein any method that elicits more information about the consumer's motivations and underlying biases would be used to inform the design of the study and data collection. In this context, the use of qualitative methods used first to inform theory and then subsequent use of quantitative methods if needed was thought to be useful. Also, a key point to come out of the methodological discussion was for researchers to document the methodologies that they are employing to overcome data collection hurdles in China and India and to publish them so other researchers will have access to this information. Also related was a question about human subjects protection protocols in these countries and an understanding of these issues on the part of researchers working there. Researchers need to work closely with their universities to clarify human subject study rules and protocols before starting fieldwork.

From a substantive perspective, we discussed whether cognitive abilities differ in cultures like China and India where choice is constrained because the economies are still developing. Some researchers are examining economically constrained classes of consumers. The view was that it would be useful to understand how consumers that have constrained choice sets and smaller endowments engage in consumption. Also relevant is the question of how consumers that cannot engage in consumption are coping with the new choices available in the market. Also, from a motivational perspective, we discussed the potential for conflict between old and new values. Studying how this impacts consumer behavior was thought to be useful.

Finally, participants felt that this discussion should continue at future ACR conferences and should expand to include other transitional economies around the world. We agreed to continue the online discussion forum, and to discuss adding other emerging markets in the future.

In sum, the on-the-ground reality of conducting research in these markets is still one of great difficulty, from logistical, methodological and theoretical points of view. Discussion needs to continue to take place on issues such as the best ways to collect data, and the dialogue needs to continue.

We will expand the online forum to discuss these and other ideas on an on-going basis, and add more participants as we move forward. In addition to providing insights and creating a robust discussion on the topic, this forum will provide direction to younger and newer researchers and allow researchers in this area to meet other interested researchers and foster possible co-authorships and collaborations. The number of people working on issues relating to China or India within consumer research is still relatively small, hence, it would be immensely beneficial to have this type of network available for sharing ideas and for providing opportunities for potential collaboration.

# ROUNDTABLE
## Interrogating Fashion: Fashion Cultures and Fashion Discourses

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Luca Visconti, Bocconi University, Italy

This round table session is a follow-up on the round table held at the European Association of Consumer Research, Milan, on the topic "Fashion cultures and Fashion discourses" The prime purpose is to interrogate all aspects of fashion –its past, its present and its future. We also hope to pursue this further with a special issue on the topic in *Consumption, Markets & Culture*. At the outset we want to specify that for a topic this broad, we include a caveat–that materialism and society are indelibly entwined. A multi-disciplinary and cross-cultural approach allows us to tie together the different strands that form the world of fashion.

We outline some key themes that may be pursued for this roundtable discussion although fashion cannot be circumscribed in such a manner. These are by no means exhaustive but they provide some contours as starting points:

(1) Fashion reveals. Marcel Mauss once described fashion–the way we dress and accessorize ourselves–as techniques of the body that reflect not only how we want others to view us but also how we see ourselves. Judging by the number of bestsellers on the topic, it seems that we can't get enough of "the fashioned body." But, fashioning the body and reflecting fashion with the body are two subtly different concepts.

(2) Fashion makes social statements. Designer brands (e.g., luxury and /or trendy labels) provide a sense of worth, place and self-expression. According to Erwing Goffman, what we choose to wear pantomimes a performance of everyday life, one in which we focus on materials and images as a way of negotiating the boundaries between who we are and our surroundings.

(3) Fashion labels. Styles encourage stereotypes. It draws us into the cultural practice of judging by appearances yet does not resolve the ambiguity of what a particular look means. Appearances could be one thing, identity something else. Dress and decoration do not always "speak" or even need to be "read."

(4) Fashion sells. Couture drives a multi-billion-dollar industry, a global phenomenon–but not necessarily a western phenomenon. However, the historical development of the fashion industry in the West meant that at times, in the name of profit-making, purveyors of styles have deemed it necessary to downplay or obscure altogether the country of origin (e.g., East Asia), where most of the clothes manufacturing occur. Nonetheless, fashion is part and parcel of global capitalism and the divide between global and the local in this fluid industry is never clear-cut.

(5) Fashion is sexy–and sexist. Dressing the female body commonly occurs as the result of a male's ideal of femininity and beauty. That said, times, like fashion, they have been a-changing. Some power suits look more formidable in heels and can be playful, esthetic and empowering. At the same time men have encountered similar problems with male beauty ideals and so on. Gender is no longer the central issue here.

(6) Fashion, by its own definition, is perpetual change and metamorphosis, feeding on the consumer's predilection for everything and anything new, different and interesting. In this industry, "new" could quickly turn passé, while "old" becomes hip "retro" and "vintage."

(7) Fashion defies boundaries. The trend toward a multi-cultural fashion regime has somewhat blunted the dominance of the West in defining style since international, ethnic, alternative, and street fashion have all paraded down Europe's runways. But could these "exotic" looks and images be anything more than stereotyped versions of the "other?" On the other hand, the editors of *Fashion Theory* have defined fashion as "the cultural construction of embodied identity."

(8) Intentionally, "anti-fashion" offers an alternative to the dominance of *Haute Couture*. On its own, anti-fashion could be *avant-garde*. It could also be counterproductive if the rebellious designers were only perpetuating Western couture's ideal of "*dress* (as opposed to *fashion*) from the rest of the world."

(9) Fashion has an ongoing relationship with art. There is a dilemma here-how best to allow for aesthetic expression while keeping commercial intent in mind.

(10) Fashion has to reconsider ecological and social responsibility considerations. Fast fashion particularly leads to a lot of waste. Lastly,

(11) Fashion evolves. Innovations and changes in the world of styles are being spearheaded and influenced by new digital technologies, which always look to creating the next "in" look. The connections between materialism and society have hardly been explored, and the social conditions that drive new innovations are ripe for examination.

Since three of the confirmed participants are from Hong Kong but with expertise on various aspects of the fashion industry in Hong Kong, and the PRC, we expect to start a dialogue about the future of the fashion industry in Asia. Japanese designers are already known in the global context and there are up and coming designers from both Hong Kong and the PRC. Further, since some of the participants also have industry experience (as designers and merchandisers etc.), we expect the discussions between researchers and practitioners to be an insightful one. Finally, we believe that a cross-cultural approach to fashion cultures and discourses is crucial and will provide cutting edge knowledge of the ever-changing fashion industry.

**Pre-conference Discussion on the topic:**

We would like to open this topic up for discussion on the website, by soliciting responses and references particularly on issues such as "reorienting fashion," "cheap chic" and "fashioning the body." The inclusion of cities like Hong Kong and Shanghai as future fashion hubs might sound a little futuristic, but the major presence of world-renowned companies (Louis Vuitton group, the Gucci group, etc.) in these cities indicates otherwise.

# If Only I Switched Instead: Exploring the Consequence of Regret & Consumer Brand Switching Behaviors

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A wealth of research has been devoted to exploring brand-switching behavior among consumers (Nowlis and Simonson 2000). Brand switching can be driven by various reasons, particularly perceived superior quality, lower prices of alternatives (Blattberg et al. 1995), lower levels of satisfaction and regret (Inman et al. 1997). Generally, the invalidation of information may lead consumers to question their past judgments and reassess the strategies they previously employed to inform their judgments (Bettman 1979). As a result, a central aim of brand-switching research is to further understand how consumers cope with regret, given that this is expected to influence post-purchase behavior.

Researchers have been using regret theory to help explain consumer behavior and decision-making (Zeelenberg and Pieters 1999). Regret prompts an assessment of whether or not the consumer can amend the situation, which then facilitates the consumers' use of coping strategies. It is typically the invalidation of information or expectation that prompts the experience of regret and consequently the promotion of these coping strategies. Specifically, in an attempt to cope with the invalidation, switching processing mode to an enhanced cognitive demand is imposed (Mazursky and Schul 2000).

Treating coping as a defense system (i.e., to reduce tension and restore equilibrium) can be distinguished as reactive coping or future-oriented coping. Reactive coping refers to a harm or loss experienced in the past (Schwarzer and Knoll 2003). In contrast, the proactive coping process (i.e. future-oriented coping) consists of constructing a reserve of resources that can be used to either prevent or minimize future net losses (Aspinwall and Taylor 1997)–particularly switching brands.

Despite the quantity of research done on brand switching, little is known about the behavioral determinants of switching on previous evaluation of expectations. In order to understand what influences post-purchase behavior, understanding previously purchased product evaluations are key elements. Furthermore, Folkman and Moskowitz (2004) call for more attention to be devoted to understanding future-oriented coping.

The purpose of this research is to better understand how consumers' regret coping behaviors influence brand switching. We predict that the level of regret induced and level of expectations validated will moderate consumers' attitude toward the brand bought, consumers' satisfaction levels, and consumers' choice to either stay or switch brands.

## Study

The experiment is a 2X2 between-subjects design with regret and validation serving as between-subjects factors. All participants were exposed to hypothetical purchase-decision scenario manipulations of regret and validation. Participants were either exposed to one of four conditions: induced regret with validation; induced regret with invalidation; reduced regret with validation; or reduced regret with invalidation. For example, for the induced regret by validation condition, subjects had experienced a positive outcome (i.e. contentment with purchase decision); then regret was induced due to the participant learning that their purchase decision was not the best decision they could have made. A total of 81 students from a southern university in the United States participated in the study.

*Attitude Toward Brand Bought.* The ANOVA yielded a regret by invalidation interaction (F $(1, 77)$=23.33, p<.001). When expectations were invalidated, attitude toward the brand bought was significantly lower when regret was induced ($M$=3.70), whereas when expectations were invalidated, attitude toward the brand bought was significantly higher when regret was reduced ($M$=6.00). No effect was found for validation and regret on attitude toward the brand bought. The analysis also revealed a strong significant effect for regret (F $(1, 77)$=24.48, p<.001), indicating that reducing regret lead to more favorable attitude toward the brand bought ($M$=6.06 vs. $M$=4.89). In addition, the analysis revealed a strong significant effect for validation (F $(1, 77)$=28.11, p<.001), indicating that validation lead to more favorable attitude toward the brand bought ($M$=6.10 vs. $M$=4.85).

*Satisfaction Toward Purchase Decision.* The ANOVA revealed a regret by invalidation interaction (F $(1, 77)$=12.86, p<.05). When expectations were invalidated, satisfaction toward purchase decision was significantly increased when regret was reduced, ($M$=6.02 vs. $M$=3.03); however when expectations were validated, satisfaction toward purchase decision was lower when regret was induced ($M$=5.17 vs. $M$=6.30). The analysis also revealed a strong significant effect for regret (F $(1, 77)$=63.84, p<.001), indicating that reducing regret lead to higher satisfaction toward purchase decision levels ($M$=6.16 vs. $M$=4.10). In addition, the analysis revealed a strong significant effect for validation (F $(1, 77)$=22.01, p<.001), indicating that validation lead to higher satisfaction levels toward purchase decision ($M$=5.75 vs. $M$=4.53).

*Brand Switching.* An ANOVA was performed, and the analysis approached significance for the regret by validation interaction (F $(1, 76)$=3.27, p=.07). When expectations were invalidated, brand switching was more likely to occur when regret was induced ($M$=6.02) than when regret was reduced ($M$=3.95). No significant effect was found for induced/reduced regret and validation on brand switching. The analysis also revealed a strong significant effect for regret (F $(1, 76)$=14.97, p<.001), indicating that inducing regret lead to a higher likelihood of brand switching ($M$=5.19 vs. $M$=3.80). Additionally, the analysis revealed a significant effect for validation (F $(1, 76)$=6.69, p<.05), indicating that invalidation lead to a higher likelihood of brand switching ($M$=4.96 vs. $M$=4.03).

These results highlight the importance of the emotion of regret and validation on attitude, satisfaction, and brand switching likelihood. The results show how regret can be used as a marketing instrument for advertisers and brand managers. As a marketing tool, regret can be used to both urge potential consumers to switch from an old brand or to stay with an existing brand. Ultimately, the use of regret is an excellent approach for firms seeking to increase sales, manage brands, or retain existing customers. More research is needed however to further explore and validate the findings of this study since a marginally significant interaction was found for brand switching. A limitation of the study is that hypothetical scenarios were used instead of actual scenarios. Actual consumer branding switching behavior may be

more likely to occur in real life situations instead of hypothetical situations when both regret and validation are induced. The results of this research contribute to further extending the existing literature on regret and consumer behavior, specifically building upon the understanding of future-oriented coping.

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# The Effect of Surplus Avoidance on Completing a Goal in Loyalty Program

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It has long been recognized that goals guide individuals in channeling their efforts and in selecting and creating courses of action that can produce desired outcomes (Bandura 1997; Feather 1982; Locke and Latham 1990). One robust phenomenon observed in this process is that people exert greater effort as they get closer to the goal (Bagozzi and Dholakia 1999; Bandura and Locke 2003). For instance, Kivetz, Urminsky, and Zheng (2006) found that consumers purchase more frequently and in greater quantity when they get closer to the goal of a loyalty program. Another robust phenomenon documented in time-discounting literature indicated that people perceive the value of an object to be higher when it is temporally proximal than when it is temporally distant (Kirby and Herrnstei, 1995; Loewenstein 1987). Accordingly, consumers are likely to prefer an immediate reward than a future one.

In this article, we focus on consumer decisions by investigating the effect of overshooting a goal on consumers' motivation toward achieving a certain goal in loyalty programs. Contrary to the goal-gradient phenomenon and the findings in time-discounting literature, we argue that when consumers evaluate the attractiveness of making a repurchase after joining a loyalty program, consumers will be deterred from repurchase when they anticipate that such a repurchase will lead to surplus loyalty points, i.e., getting more points than needed to complete the goal. In other words, consumers will follow a surplus avoidance principle such that they are reluctant to proceed when it will overshoot their goal, thus the surplus avoidance tendency also lead consumers to choose a distant rather than an immediate reward.

The surplus avoidance principle is consistent with the central idea of the psychology of waste (Arkes 1996), which postulates that humans avoid being wasteful. This drive, which is referred as a "Don't waste" rule, is applied to a wide variety of contexts. When evaluating the attractiveness of an action, people tend to equate it with the extent to which such an action will lead to waste (Arkes 1996). However, previous research has shown that people often over-generalize this rule to various situations. They will go to great lengths to avoid being wasteful, and this desire often leads to behaviors that violate the normative definition of rationality (Arkes 1996; Arkes and Blumer 1985; Larrick, Morgan, and Nisbett 1990). For example, while consumers strive to maximize their loyalty points, they may end up with more than enough loyalty points (i.e., surplus points). It is possible that consumers will interpret the surplus points as waste because they feel that they are paying more than necessary to finish the loyalty program. However, this interpretation is inappropriate because consumers are paying *not* for the loyalty points but for the products they are buying. Thus, as long as they need those products, their spending will be fixed. In situations where wastefulness is no longer appropriate, consumers may still embrace the "Don't waste rule," which leads to behaviors that are non-optimal and are opposite the typical goal-gradient and time-discounting findings.

In an experiment, we test the central prediction that consumers will find a particular store less attractive when purchasing there will incur surplus loyalty medium (e.g., loyalty stamps) than when it will not. Participants in this experiment were told that the two major supermarket chains that they often visited, Supermarket Near and Supermarket Far, offered two separate loyalty programs that are equivalent in every aspect. In both programs, they would earn one stamp for every US$10 they spend, and 10 stamps would earn them a restaurant voucher. In the no surplus condition, they collected six stamps from Supermarket Near and seven stamps from Supermarket Far. In the surplus condition, they collected six stamps from Supermarket Near and nine stamps from Supermarket Far. They were informed that Supermarket Near was just a five-minute walk, whereas Supermarket Far was a 15- to 20-minute walk. The participants were informed that they were going to shop for items for a student union gathering and were expected to spend around US$30. They would get three stamps if they go to either supermarket. The participants were asked which supermarket they would go and were also asked to indicate their

likelihood to go to each supermarket using seven-point ratings (1=very unlikely; 7=very likely). Results on choice and repurchase intention ratings supported our central prediction that the preference for an option is reduced when it is associated with a surplus than when it is not. Specifically, the willingness to walk an extra distance to make a repurchase and get an immediate reward was significantly reduced when the repurchase would lead to surplus loyalty stamps than when it would not, despite the shorter distance from the goal in the former than in the latter case.

Our results provide preliminary evidence showing that the robust effects of goal-gradient could be reversed when completing a goal and getting the reward is associated with surplus stamps. Thus far, we have argued that surplus avoidance stems from an overgeneralization of the "Don't waste" rule, but we have not assess this psychological mechanism. According to Arkes and Hutzel (1997), waste is less of an issue when an item is reusable or when it has some scrap values. However, it becomes a prominent concern when the item cannot be reused. To test this idea, the next step would be to compare the surplus avoidance effects in two different reusability conditions involving the surplus stamps. If the surplus avoidance pattern are found to be stronger when surplus stamps are non-reusable than when they are reusable, our argument that surplus avoidance stem from an overgeneralization of the "Don't waste" rule will be supported.

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# On the Compatibility of Orientation, Task and Preference: The Role of Brand Information

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### Hypotheses

Consumer choices are often driven by their hedonic and utilitarian preferences. Existing research has shown that orientation (promotion versus prevention) and task (choose versus give-up) are two important determinants of such preferences. Based on the earlier research and the regulatory fit theory, we propose that promotion orientation, choose task and hedonic preference are compatible, whereas prevention, give-up task and utilitarian preference are compatible. Given this proposal, the following specific hypotheses will follow.

H1a. Participants with prevention orientation in give-up task prefer utilitarian products more than participants with promotion orientation in give-up task.

H1b. Participants with prevention orientation in give-up task prefer utilitarian products more than participants with prevention orientation in choose task.

H2a. Participants with promotion orientation in choose task prefer hedonic products more than participants with prevention orientation in choose task.

H2b. Participants with promotion orientation in choose task prefer hedonic products more than participants with promotion orientation in give-up task.

Given products and brands are inseparable (Keller 1998; Samiee, 1994), we further propose that one cannot only examine preference towards hedonic/utilitarian products without considering the role of the brand information in hedonic/utilitarian preferences. For example, both hedonic and utilitarian products can be evaluated as utilitarian when they are perceived to be utilitarian brands, whereas both can be evaluated as hedonic when they are perceived to be hedonic brands. Thus, the difference between preferences for hedonic and utilitarian products on the hedonic/utilitarian measure would diminish or even disappear when brand information is included.

To illustrate, American brands are more utilitarian than French brands, while French brands are more hedonic than American brands. Many French products are perceived by Americans as hedonic products even when they belong to utilitarian product category. Hedonic and utilitarian are in relative terms. Chinese brands are seen in general to be more utilitarian than American brands, while American brands are seen to be more hedonic than Chinese brands. Therefore, Chinese consumers may perceive American products as relatively more hedonic products even when those products belong to utilitarian product categories (American brand shampoo, American brand towel). In contrast, Chinese consumers may perceive Chinese products as relatively more utilitarian products even when the products are in hedonic product categories (e.g. high-end Chinese brand cosmetics and boots). We refer to this kind of brand information effect as "suppression effect".

We suggest that the suppression effect occurs when both hedonic and utilitarian products have hedonic/utilitarian brand information, and under such condition, participants may not perceive much difference between hedonic and utilitarian products. As a result, the influence of promotion and prevention orientation on choice between hedonic and utilitarian products may diminish. Specifically, promotion orientation may not lead to more choices of hedonic products, and prevention orientation may not lead to more choices of utilitarian products. In other words, the early noted compatibility effect may not hold. We thus predict:

H3a:  When neither hedonic nor utilitarian products have brand information, prevention focused participants in give-up task are most likely to prefer utilitarian products while promotion focused participants in choose task are most likely to prefer hedonic products.

H3b:  When both hedonic and utilitarian products have hedonic/utilitarian brand information, a brand suppression effect occurs such that promotion and prevention focused participants should have similar preferences for hedonic and utilitarian products.

We further suggest that that the brand suppression effect can lead to a consequence regarding how orientation affects hedonic/utilitarian product preferences, and that such consequence can only be observed in choose task condition but not in give-up task condition. Brand characteristics are more likely to tap into emotional, symbolic, subjective and affect-related decision making, while product characteristics are more likely to be used for rational, objective and cognition-driven decision making. In the choose task mode, participants undergo a relatively simple thinking process, and their responses an be driven by emotional and affective elements and sometimes can be impulsive (Bazerman Tenbrunsel, and Wade-Benzoni, 1998). Thus, particpants are more likely to be influenced by brand information than product information. However, in given up task mode, participants undergo a more careful process, and their responses are more detailed driven, and elaborate (Strahilevitz and Loewenstein, 1998), thus they are more likely to be influenced by product information than brand information.

H4a:  When both hedonic and utilitarian products have hedonic/utilitarian brand information in choose task, a brand suppression effect occurs that leads to the consequence such that promotion and prevention focused participants have similar preferences for hedonic and utilitarian products.

H4b:  When both hedonic and utilitarian products have hedonic/utilitarian brand information in give-up task, a brand suppression effect occurs, but participants still can perceive the difference between hedonic and utilitarian products, which leads to the consequence such that promotion focused participants prefer hedonic products more than prevention focused participants.

## Method

In experiment one we test the compatibility of promotion and prevention orientation, choose and give-up task, and hedonic and utilitarian preference in both no-brand and with-brand situations. This constitutes a 2 (promotion and prevention orientation) X 2 (choose and give-up tasks) X 3 (None, Chinese and American brands) between subjects design. The dependent variable is participants' choices between a hedonic product and a utilitarian product. In experiment two we further test brand effect in choose and give-up situations with brand information provided for the hedonic and utilitarian products.

## Discussion

Our research extends the noted two-variable compatibility to a three-variable compatibility effect. We found that promotion-choose-hedonic and prevention-give-up-utilitarian are the compatible situations. Promotion-focused consumers in choose task prefer hedonic products more than both prevention focused consumers in choose task and promotion focused consumers in give-up task. Prevention-focused consumers in give-up task prefer utilitarian products more than both prevention focused consumers in choose task and promotion focused consumers in give-up task. However, this compatibility only holds in no-brand information situation. In with-brand information situation, the compatibility effect goes away. We further found that brand suppression effect only works in choose task situation but not in give-up task situation. The choose situation is more emotion involving than give-up situation which is more elaborate and effortful. Since brand information is more subjective than product information, participants would rely more on brand information in choose task and more on product information in give-up task. Thus, we have uncovered interesting new results that intersect information processing, decision tasks and hedonic/utilitarian preferences that can help further research in this area.

# The "Sticky Choice" Bias in Sequential Decision-Making

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Consumers often encounter product information in stages rather than all at once. Sometimes new information favors an option that was not favored by the initial information set. Because the basis for a choice is restricted to whatever information is available at the time, new information may challenge a choice that was predicated on earlier information. In response, consumers might be expected to switch to the option favored by new information rather than sticking to their original selection.

To illustrate, consider two consumers with identical preferences deciding between dessert options at a restaurant (cheesecake or tiramisu). Consumer A reviews the dessert menu and selects cheesecake. After taking the order, the waiter mentions that tiramisu (the non-selected option) is the restaurant's specialty and asks whether she would like to reconsider her choice. Consumer A must now decide whether to stick to her original choice (cheesecake) or switch to the option favored by the new information (tiramisu). In contrast, Consumer B reads the same dessert menu, but is informed by the waiter that tiramisu is the restaurant's specialty prior to placing her order.

Several divergent predictions could be made about the final decision outcomes for the above scenarios. Since the same set of information was available in both scenarios, Consumers A and B might be equally likely to choose the option favored by the new information (tiramisu). Alternatively, Consumer A could be more likely than consumer B to choose the favored option. The basis for this claim is that people often experience regret immediately after making an initial choice because other high utility options have just been sacrificed (Carmon and Ariely 2000). As a result, when new information favors the foregone option, individuals in a repeated choice task may be extremely motivated to switch. Another possibility is that Consumer A could be less likely than Consumer B to choose the favored option. The theory behind this notion is that the mere expression of an initial choice creates a "sticky choice" bias so that the final decision is biased toward the initially selected option, even when new information favors another option. Our research provides evidence supporting the last prediction—that consumers who make sequential choices are less likely than those who make a single choice to ultimately choose an option that is favored by new information.

We identify three antecedents that could generate the "sticky choice" bias in repeated decisions: reevaluation of initial information, discounting of new information, and consistency-seeking across repeated decisions. First, the act of expressing a choice may alter the perception or evaluation of the *initial* set of information (i.e., prior to the provision of any new information). Perhaps consumers who make an initial choice assess alternatives or weight attributes differently than those who do not make an initial choice. Additionally, choosing itself may make one's preferences more certain or salient. The notion that choice affects evaluations of one or more members of the original option set is supported in the literature (Botti and Iyengar 2004) and consistent with research on mere-possession (Sen and Johnson 1997), loss aversion (Kahneman and Tversky 1984), and the endowment effect (Thaler 1980).

A second explanation for a "sticky choice" bias is that the act of selecting an option may cause *new* information that challenges the initial choice to be processed incompletely or less discriminately than it would have been otherwise. Brand loyalty research has demonstrated attentional blocking of new information within a consumer learning context (van Osselaer and Alba 2000) but has focused primarily on blocked associations of specific attributes. Even if new information is processed thoroughly, it may be discounted to resolve cognitive dissonance (Festinger 1957) or biased by confirmatory reasoning (Klayman 1995, Chernev 2001).

Finally, the "sticky choice" bias may arise from the repeated choice context itself; consumers who make an initial selection may demonstrate persistence in choice that is driven by desire for consistency or resistance to change rather than by differential information processing. Behavioral consistency describes the tendency of individuals to regulate actions—and, we would argue, choices—so as to be consistent with prior behavior and choices (Funder and Colvin 1991). Resistance to change suggests that an earlier choice prompts a tendency towards inaction inertia (Arkes, Kung, and Hutzel 2002) or maintaining the status quo (Samuelson and Zeckhauser 1988).

Across four experiments, we attempt to demonstrate the "sticky choice" bias and isolate its underlying mechanism(s). In experiment 1, we compare the choice shares of two options in a scenario where all participants receive the same set of information. Participants begin by setting attribute values so as to equate their preference for two products. Then, some participants choose between the two products and other participants do not. Next, new information about a third attribute is provided to all participants that clearly favors one option. Finally, participants make their final decision between the two products based on the complete set of information. We find that the final decision outcome of participants who express an initial choice is biased toward the initially-selected option (relative to those who make a single choice after all the information is available). In the remaining experiments, our goal is to show that the "sticky choice" bias occurs when consumers seek consistency across repeated decisions, even after controlling for changes in the evaluation of initial and new information.

Overall, this research demonstrates the robustness of choice consistency in a sequential decision context even in the presence of contradictory information. We provide evidence that when new information favors an option that was not favored by the initial information, the final decision of consumers who express an initial choice is biased toward the initially-selected option relative to consumers who make a single choice after complete information is available. We aim to attribute this "sticky choice" bias to consistency-seeking across repeated decisions.

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# Fantasizing About Winning: Motivational and Congnitive Determinants of Narrative Transportation

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Recent research in psychology has identified a process, called transportation, that may be useful in explaining the behavior in reaction to advertising that encourages vivid daydreams or fantasy. Transportation is defined as "immersion into a text" (Green and Brock, 2000, p.702; Gerrig 1993).

What has been lacking in the literature, however, is a theory that explains when and how transportation is more or less likely to occur. This paper identifies specific moderators for transportation, where people become absorbed by an advertisement. As well, all prior literature on transportation views it through a cognitive lens; this paper looks at motivational mechanisms (extrinsic motivation from the attractiveness of what is being advertised and intrinsic motivation from the belief its acquisition is possible) that may affect consumer image generation and persuasion. An additional contribution of this paper is to extend transportation theory out of the context of narratives and in to the medium of television advertisements. The lottery is an ideal setting to examine consumer fantasies and transportation, as they are notorious for encouraging participants to dream or imagine, and outcomes that are salient and easy to imagine carry disproportionate influence in decision making (McGill and Anand, 1989; Keller and McGill 1994).

In a pilot study (with 3 cells: a lottery ad an ad encouraging consumers to fantasize, a control lottery ad, and a no ad condition) we show that advertisements that encourage imagination lead to more transportation, and that this increase in transportation mediates the effects of differential ad exposure on desire to purchase. Although the commercials could have differed on dimensions other than how much transportation was encouraged, the dream ad was actually liked less than the control ad. A subsequent study controls for this, and extends the results of the pilot study by directly manipulating the underlying process.

In study 1, 3 new factors were introduced to examine moderators for the effect, filling a gap in the literature (Escalas 2007; Wang and Calder 2006). The procedure used the ad encouraging consumers to fantasize from the pilot study, and this time used the guise of evaluating a new commercial for TV. The ad featured a man deciding how to spend his lottery winnings. The advertisement was altered by video editing professionals to create two new advertisements. One advertisement claimed the size of the lottery jackpot this week was $1000 (as there are many small lotteries with prizes in this range), while the other claimed it was $10 million (a relatively large prize for the jurisdiction of the study). The same announcer was used in both conditions, the ads were the same length, and otherwise featured exactly the same visual stimuli, ensuring a high level of internal consistency. A second factor was belief in luck, as some individuals believe that luck can act as a force in their favor, while others believe that luck is simply random chance that is unreliable (Darke and Freedman 1997). The manipulation for transportation was adapted from Green and Brock (2000). Participants in the increase transportation condition were instructed before viewing the commercial to "Immerse yourself in the commercial, imagining what it might be like to be in that situation. You are now the main character". In the neutral condition subjects were told "While watching the commercial, use your attention". Finally, the manipulation to decrease transportation was "While watching it, try to identify any claims or words that might be confusing to people who do not speak English as their native language". A manipulation check supported the efficacy of our manipulations. If transportation is indeed driving the effects we observe, then directly manipulating it should result in a change in the effects we observe. Thus, the study was a 2(prize size large/ small) x 3(transportation increase/ neutral/ decrease) x measured belief in luck.

We predict and find support for a 3-way interaction: In the large prize condition, when the motivation to transport is high and subjects are encouraged to transport, we observe the largest amount of desire to purchase, and transportation mediates this effect. In the small prize condition, since belief in luck is a more stable individual-level trait, only a main effect for belief in luck influences desire to purchase. People who believe in luck are generally more willing and likely to allow themselves to be transported and play the lottery, regardless of prize size, and transportation mediates the effects of these factors on desire to purchase.

A second study examines the process underlying the effects in greater detail, with the inclusion of new measures that capture measures of what subjects thought about. The study was a simple design where the $10 million prize ad from the prior study was shown and belief

in luck was regressed on, and significantly predicted: desire to purchase, the extent to which subjects could visualize a win, had fantasies that centered on hedonic items (car, clothes, house, vacation, and what they'd spend their winnings on). Participants' thoughts also centered more on themselves than on the protagonist in the ad if they believed in luck and reported more positive affect, consistent with transportation.

A third study further examines the relationship between transportation motivation, and manipulates how lucky subjects feel about luck by first reading a gender-matched story for an ostensibly unrelated experiment about a protagonist that has everything go his or her way (fortunate), or against him or her (unfortunate). The story did not affect participants emotions, as there were no significant differences across a battery of 14 positively and negatively-valenced items, ruling out mood effects as an explanation for our results. This was crossed with size of prize (large or small) in a 2x2 between subjects factorial. Transportation was shown to be highest in the large prize/feel fortunate condition, as compared to the average of the other 3 cells, and subjects in this condition imagined themselves winning more so than the main character in this cell. They also reported significantly higher willingness to pay (in $, log transformed) for a lottery ticket of the same expected value (1 in 1000 odds in the $1000 prize and 1 in 10,000,000 odds in the large condition) in the big/fortunate condition (all p's <.05).

Across four studies, we show that ads that encourage subjects to imagine an outcome are effective in persuading via transportation, and that this effect is stronger when consumers are motivated to process with themselves as the protagonist. When people lack sufficient motivation, how the ad is processed is shown to make little difference. Intrinsic (belief in luck) motivation is more stable than extrinsic (large prize) in influencing this effect, however a synergistic effect is shown for ads, where ads that appeal to consumers' imagination work best under both high intrinsic and extrinsic motivation. Future research should consider motivation to transport in other domains: potential companions (dating services), changing their look (elective surgery), or a more general improved life (soap operas, romance novels).

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## Friend and Foe? The paradoxical Dynamics of Intergroup Conflict in a Cooperative

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While there are many examples of groups of consumers coming together to pursue shared consumption goals (e.g. neighborhood associations, collector's societies, co-ops, etc.) these types of groups remain relatively unexplored in the consumption literature. Consumption associations are characterized by members that not only consume the focal product/experience but also help to co-produce the experience. While members initially come together to join/form the group in order to meet a common consumption goal, subsequent division into subgroups often becomes inevitable. For this reason, one particularly compelling avenue of investigation is the role that conflict plays in consumption associations. Given the virtual inevitability of conflict within organizations (Kramer, 1991), it does not at first seem surprising that conflict would exist in consumption associations. However, when one considers that many of the solutions commonly prescribed to mitigate and minimize conflict (strong organizational identity, member agreement on core organizational values, frequent interpersonal interactions across group lines) tend to be present in these types of organizations, the pervasiveness and intensity of conflict within the consumption associations is rather arresting.

This paradox of intense conflict existing in an environment that theoretically should be relatively conflict free is what lead us to our research questions. We first ask: why does strong intergroup conflict persist when the structural and social-psychological conditions that supposedly mitigate conflict appear favorable? This paradox begs our second research question: how does such paradoxical intergroup conflict play out? Finally, we ask: what keeps the consumption associations together and functioning reasonably effectively?

In answering these questions, we found an exploration of the role of collective identity to be particularly fruitful. While an organization's overarching identity is often fairly abstract (cf. meta-identity; Pratt & Foreman, 2000), smaller subunits that tend to focus on more concrete facets of the overarching identity are nested within the organization. In order to enhance group member distinctiveness and self-esteem while reducing uncertainty about social structure and members' place within it, these sub-units will seek to differentiate themselves by maximizing intergroup differences and minimizing intragroup differences (cf. self-categorization theory; Turner, 1985;

Brewer and Gaertner, 2001). This suggests that at least part of why different groups emerge is precisely so that they can act as foils to one another.

## Method

To explore these issues we investigated a natural foods co-op in a large southwestern city. The co-op offered a particularly compelling environment for exploring a consumption association since members explicitly act as both consumers and managers of the consumption experience. Within the co-op two groups—"idealists" and "pragmatists"—formed around different *emphases* on certain values leading to ongoing and intense conflict. The first phase of investigation was a year long ethnography. Notes from participant observation, meeting transcriptions, and archival data were all analyzed. Throughout this process emerging insights were discussed with a co-author and member checks were performed.

As the research questions crystallized, a questionnaire was developed to measure an array of constructs related to intragroup and intergroup dynamics. This survey was given to 24 individuals identified as highly active in the co-op's governance. Twenty participants returned completed questionnaires.

## Major Findings

In broad terms the two groups, "pragmatists" and "idealists", coalesced around shared beliefs concerning either business practices or cooperative ideals respectively. Much of the conflict centered on how to insure that the co-op continued to meet communal consumption needs while remaining economically viable in the face of increased competition from the opening of "supernatural" chain stores. The idealists felt that the best way to preserve the co-op was to focus on communal consumption needs by staying true to the founding ideals: non-hierarchical management, stocking only healthy, ethically produced foods, and providing extensive services for member's education and alternative lifestyles. The pragmatists, while also valuing these ideals, were more concerned about continued economic viability and as such felt that some compromise—e.g. more power for the store manager, more non-organic produce, and reinventing some cash flow—was warranted.

In answering the first research question— why does strong intergroup conflict persist when conditions that should mitigate conflict exist?—values were quantitatively examined. This analysis revealed all value clusters were shared. The difference that emerged was the relative *weight* that was given to each value cluster. In other words, both groups felt that meeting communal consumption needs took precedence over profitability, however the pragmatist still gave more *relative* importance to profitability than did the idealists. Interestingly this indicates that the two groups were much more alike than they were different, allowing for strong overarching group identity when the boundary between outsiders and group members was salient. However, when "outsiders" were not salient, small between group differences lead to intense conflict. Thus, following optimal distinctiveness theory, inclusiveness may, ironically, actually encourage subgroup differences.

In answering the second research question— how does such paradoxical intergroup conflict play out?—we examined perceptions of the in- versus out-group members. As social identity theory argues, identities are relational and comparative (Tajfel & Turner, 1986); much of how one group identifies itself is how it differs from the other group. This was supported by the finding that in general, perceptions of the values of the out-group tended to be more extreme than was actually the case. In other words, intergroup conflict plays out through the mutually reinforcing mechanism of value polarization.

Finally, in answering our third research question—what keeps the co-op together and functioning reasonably effectively?—we examined organizational rituals. Three rituals in particular were observed that seemed to keep members united despite the divisive conflict: reaffirmation of members' belief in cooperation, appointment of "vibes watcher" to interrupt debates that became too heated, and expression of regret and shock about behavior. At a deeper level, part of what allows the co-op to continue functioning in a relatively stable manner is the tension between these two groups. In other words, in order to continue to meet group consumption needs, the co-op does need to stay true to the founding ideals, however if it doesn't remain economically viable it will not be able to meet the consumption needs of anyone.

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# The Role of Congruence Theory in Consumer Response to Business-to-Consumer Gift Giving

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Although business-to-consumer (B2C) gifts are prevalent in practice, few studies explore the motivations and consequences of this activity. In this paper, we examine how perceived congruence between a gift and the promoted product influences key consumer response variables. Perceived congruence between product-related stimuli has been found to have an impact on consumers' impressions (Meyers-Levy and Tybout 1989; Kamins and Gupta 1994).

In promotions, "gift" typically refers to an additional good a consumer receives for free when purchasing the promoted product. Free gift differs from the other promotions such as price cuts, rebates, and coupons (Chandon et al. 2000) because a free gift does not affect direct monetary cost of the promoted product.

We found only two studies that explore B2C gift giving. Raghubir (2004) finds consumers may perceive free gifts as not valuable unless they receive price information to judge the value of the gift. Bodur and Grohman (2005) find a prior relationship with the business and an implicit request for reciprocation positively affect consumer responses to gifts.

We believe congruence theory can help understand consumers' reactions to B2C giving. Congruence refers to the degree to which two or more objects, entities, people or groups share essential characteristics. Sirgy (1985) and Kamins and Gupta (1994) found that high congruence leads to favorable evaluation and a positive attitude toward the target, whereas Meyers-Levy and Tybout (1989), and Jagre et al. (2001) found that moderate incongruence leads to more favorable product evaluations than either high congruence or extreme incongruence. These studies suggest when consumers encounter schema incongruence, object novelty increases arousal, and greater cognitive elaboration may occur in an effort to resolve the incongruence.

We use consumer evaluation of the gift/product offer, and consumers' attitude toward the brand associated with the offer as the two key consumer responses variables. We propose when perceived congruence between in the gift/product combination is low, consumers are more likely to perceive the gift offer as a "promotion" than as a "gift", resulting in lower purchase intent and unfavorable brand attitude for promoted product (Forehand 2000; Bodur and Grohmann 2005). Following Mandler's (1982) thesis, we hypothesize an inverted U relationship between perceived congruence and consumer evaluation of the offer.

H1: Consumers will evaluate the offer most favorably when the perceived congruence of the gift/product combination is moderate, rather than high or low. High congruence will result in more favorable evaluation than low congruence.

Extant research is less certain about formation of attitude toward the target object (brand) in the stimulus. In B2C gift context, we argue that the arousal in object novelty and enhancement in cognitive elaboration caused by moderate incongruence is attributed more toward the offer and less toward the brand associated with the offer. Therefore, we do not expect significantly more positive attitude toward the brand in case of moderate versus high congruence. We agree with Mandler (1982) that extreme incongruence does not lead to satisfactory resolution even after extensive elaboration, resulting in least positive attitude toward the brand.

H2: Consumers will form more positive attitudes toward the brand in the gift offer when perceived congruence of the gift/product combination is moderate or high, rather than low. Attitudes will not be significantly different for moderate versus high congruence.

A between-subjects factorial design with three levels of perceived congruence (low, moderate, high) of the gift/product combination was used for the laboratory experiment. After pretesting several sets of stimuli, music CDs (and car insurance) was used as the promoted product and a free music CD (free extension to insurance policy), a free radio receiver (free safety check of car), and a free pair of garden clogs (free barbeque grill) were used as gifts corresponding high, moderate, and low congruence respectively. Participants (n=199) were recruited from undergraduate students enrolled in business courses at a large Midwestern university, and were offered extra course credit for participation. They received booklets containing one of the randomly assigned experimental stimuli (one of the six different gift/product combinations) and filler materials. Following the stimulus booklet, the participants turned to the booklet containing the dependent measures, and manipulation checks.

We adopted a ten-item scale (alpha=0.97) by Beltramini and Stafford (1993) to measure consumers' evaluation of the offer. For attitude toward the brand, we used a three-item scale (alpha=0.94) used by Chattopadhyay and Basu (1990). Just prior to the conclusion of the study session, participants were asked to rate the degree of congruence (nine-point scale anchored with highly congruent/not congruent at all) for the gift/product combination in the offer they received during the experiment.

Results showed the manipulations worked (correlation of 0.8 between expected and reported congruence). A one-way ANOVA with evaluation of the offer as the dependent variable was significant ($F(2,195)=11.055$, $p<0.000$). The mean evaluation scores corresponding to low, moderate and high congruence were 5.13, 6.42 and 5.85. Pairwise mean comparisons for low/moderate ($p<0.000$), moderate/high ($p<0.041$) and low/high ($p<0.008$) were statistically significant, confirming the hypothesized inverted U relationship between perceived congruence and consumers' evaluation of the offer. A one-way ANOVA with attitude toward the brand as the dependent variable was also significant ($F(2,195)=7.169$, $p<0.001$). We found a significant difference ($p<0.002$) between attitude scores corresponding to low (mean=4.64) and high (mean=5.71) congruence. The difference between attitude scores corresponding to moderate (mean=5.81) and high congruence was not significant ($p<0.771$). Thus, the results are consistent with our argument that the arousal in object novelty and enhancement in cognitive elaboration caused by moderate incongruence in gift/product combination is attributed more toward the offer

(thus, increasing favorability of the offer) and less toward the brand associated with the offer (thus, not showing significant difference in the brand attitude).

These results provide evidence that perceived congruence systematically affects consumers' evaluations of business-to-consumer gifts and the brands that offer them. We plan to follow up this study by testing the underlying mechanisms via measurement of arousal and cognitive elaboration, and by examining the moderating effects of consumers' need for cognition and style of thinking (analytic/holistic) on their response to perceived congruence.

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# Luxury Versus Humor: Contrasting the Use of Art in Advertising

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Visual art has been used extensively in advertising (Hetsroni and Tukachinsky 2005). Indeed, such "high-culture images reach more people more often through advertising than through any other medium" (Hoffman 2002). However, while the use of visual art is widespread in advertising, its impact is not clearly understood and has not been systematically studied. We therefore pose the question *whether*, *when* and *how* visual art works in advertising.

Since antiquity, art has been associated with a heritage of culture, it has represented a special kind of quest for excellence, and it has connotations of luxury and exclusivity (Hoffman 2002; Margolin 1992; Martorella 1996; Tansey and Kleiner 1996). Indeed, recent research on the art infusion phenomenon (Hagtvedt and Patrick 2006) has suggested that art has a positive influence on the evaluation of products with which it is associated. This research demonstrates that this influence stems from an automatic and content-independent spillover of luxury perceptions.

Importantly, this research has relied on the influence of art in its original form. In advertising practice, however, advertisers use artworks in their original form or modify them to fit their purposes (Hoffman 2002). For instance, the use of the original Rodin's "Thinker" lends the gravity of art and philosophy to an ad for Dewar's whiskey, connoting the luxury and sophistication of the brand. On the other hand, artworks may be modified to convey the advertising message with a humor appeal. For example, an ad for Clear Blue pregnancy tests features a painting by Fra Angelico, where the angel Gabriel informs the Virgin Mary that she will bear forth a child. Mary responds: "Thanks, but I already know."

In this research, we propose that this latter use of art in advertising presents a boundary condition for the art infusion effect. We theorize that artworks in their pure form have integrity, a quality of completeness and incorruptibility. The integrity of an artwork refers to its "wholeness, intactness or purity" (Cox, LaCaze, and Levine 2005). Visual art, like other art forms, maintains this integrity when it remains untouched or untarnished. Consequently, we would expect that any modification of a work of art interferes with this integrity, diluting its impact on the viewer and limiting the potential for art infusion to occur.

Specifically, we propose that when art is used in its original form, the positive spillover of luxury connotations results in a more favorable evaluation of the product and the ad. Conversely, we argue that a modified artwork is no longer categorized as art, but as a humorous image, thus diminishing or eliminating completely the art infusion effect. We test this assertion in two studies.

### Study 1: Examining the Relevance and Modification of Art

In study 1, we examine the influence of original (vs. modified) art on product and ad evaluation. In addition, we examine the "fit" of the artwork, i.e. the extent to which the visual image is relevant to the ad message. In investigating the fit of music in advertisements,

MacInnis and Park (1991, 162) define fit as "… consumers' subjective perceptions of the music's relevance or appropriateness to the central ad message." We expect that while the image, whether modified or unmodified, has a function in the ad, the copy of the ad may enhance the effect of that image by causing the image and the product to be more intimately linked to each other. Therefore, we expect that the connotations of art conveyed would be magnified by the increased fit between the image and the message of the ad. In other words, we would expect an interaction of fit and modification such that when fit is high we would expect polarized responses to modification.

Study 1 was a 3 x 2 between-subjects experiment, with 191 undergraduate participants, manipulating modification of the art (original vs. slightly modified vs. highly modified) and relevance (established via the copy of the ad: relevant vs. irrelevant). A fictitious advertisement, using the Mona Lisa by Leonardo da Vinci, was created for a real product: Prince Spaghetti Sauce.

Results revealed that general evaluations and perceptions of luxury for both product and advertisement were higher for the unmodified artwork, and the expected polarization caused by the relevance was confirmed by the expected interactions. Also, as expected, the modified artwork was evaluated as more humorous, but did not benefit from the positive connotations of art. Further, luxury perceptions mediated the effect of original art on evaluations of the product and the ad.

### Study 2: The Role of Brand Positioning

Study 1 suggests that art in its original form serves as an effective luxury appeal while modified artworks operate as humor appeals in advertising. We extend this result in study 2 to examine the match of ad appeal with brand positioning (luxury vs. value). Prior research has demonstrated that consistency in brand communications leads to more favorable brand evaluation (Park, Milberg and Lawson 1991; Sjödin and Törn 2006). We expect that an original (modified) artwork conveying a luxury (humor) appeal is more likely to be consistent with a luxury (value) brand positioning, and we expect that an inconsistent brand positioning will diminish the favorable influence of art on product and ad evaluation.

The study was a 2 x 2 between-subjects experiment with 122 undergraduate participants in which modification of the art (original vs. highly modified) and positioning of the advertised brand (luxury vs. value) were manipulated. The same images were used as in study 1. Brand positioning was manipulated via ad copy that emphasized luxury (with phrases like "Classic Italian", "Another Italian masterpiece") versus value ("Priced-less" and "Why pay more?"). The results replicate the finding that modifying the artwork in the ad caused less favorable evaluations of the product and the ad, and this was moderated by the brand positioning.

In sum, the results of these two studies reveal that art used in its original form connotes a luxury appeal and is best utilized with a luxury brand positioning. Modified artworks, on the other hand, work as effective humor appeals and may be best utilized for brands conveying a value positioning.

# Social Identity Threat and Consumer Preferences: The Role of Self-Protection
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Using social identity theory (e.g., Tajfel and Turner 1979) as a theoretical framework, where social identity refers to the component of the self-concept that is derived from actual or perceived membership in social groups, we tested across three experiments whether exposing consumers to a social identity threat would result in the avoidance of products associated with that identity. The present research contributes to the marketing and psychology literatures in several notable ways. To our knowledge, this is the first research to examine how consumer preferences are influenced by social identity threat. Second, this research extends previous findings that consumers often demonstrate preferences that are congruent with self-perceptions (Sirgy 1982) and primed self-identities (Mandel 2003; Reed 2004). Third, we build upon social identity theory by highlighting a behavior that is unique to the consumption context—the avoidance of products associated with a threatened identity. Fourth, the present research demonstrates that this avoidance tendency is related to a desire for self-protection and not related to other motives such as self-enhancement and self-verification. Finally, we identify key moderators of this avoidance tendency—self-esteem and ingroup identification.

Social identity theory proposes that identity is comprised of two components: personal identity (i.e., identity related to a person's individual sense of self) and social identity (i.e., identity related to groups to which a person belongs or is affiliated). We propose that when one aspect of consumer social identity becomes threatened, under certain conditions, consumers will become motivated to avoid products associated with that threatened aspect identity and will instead prefer products associated with an alternative identity. This notion differs from a priming account of shifts in consumer preferences which suggests that priming activates relevant concepts in memory and increases the accessibility of related information when making judgments (Srull and Wyer 1980). Thus, priming often leads consumers to prefer products that are consistent with currently activated concepts. We suggest that when consumers are motivated to protect the self from identity threat, they will prefer products that are inconsistent with the threatened aspect of identity. We differentiate self-protection (e.g., the desire to avoid negative consequences for the self) from self-enhancement (e.g., the desire to attain positive consequences for the self), and suggest that the mechanism underlying our effects in self-protection.

In study 1, we provide preliminary evidence that consumers will avoid products associated with a threatened aspect of identity. Participants were either presented with information that threatened their gender identity, enhanced their gender identity, or was neutral with regards to their gender identity. Participants then evaluated films that were either related to their own gender identity or that were related to their university student identity. As predicted, participants who received threatening information about gender as a social identity showed a significantly weaker preference for films associated with their gender as compared to those who received gender enhancing information or neutral information. No such differences were found for evaluations of products associated with an alternative identity (i.e., university student).

In study 2 we examine self-esteem as a moderator of reactions to social identity threat. While those high in self-esteem are often characterized as being motivated by self-enhancement, those low in self-esteem are often motivated by self-protection (e.g., Baumeister,

Tice, and Hutton 1989; Kunda 1999). Because we believe the avoidance of products associated with a threatened aspect of identity is related to self-protection, we anticipate that this avoidance tendency would be particularly pronounced among low self-esteem individuals. Participants were first provided with information that either threatened gender as a social identity or was neutral regarding identity. They then made a choice between a publication that was either associated with their own gender identity or that was associated with university student identity. People low in self-esteem tended to avoid choosing a product associated with a threatened facet of identity, whereas product choice was not influenced by social identity threat when people were high in self-esteem. This effect was mediated by a desire to protect the self, but not by other motives such as self-enhancement or self-verification.

In study 3 we investigated the moderating role of ingroup identification because research demonstrates that ingroup identification individuals exhibit self-protective responses to threat. Further, we attempted to rule out alternative explanations for the findings. Because the gender-related products in the first studies were low in perceived intellectual depth, participants may have responded to threats to the self by simply choosing a more intellectually-oriented option, rather than avoiding products associated with a threatened aspect of identity. Second, it is possible that consumers avoid products associated with any identity that is described negatively, not only products associated with an aspect of their own identity when it is threatened. To test for these alternatives, we had female participants receive a threat to their own gender identity, threat to the opposite gender identity, or neutral information, and then evaluate both male and female biographies. In contrast to the two alternative explanations, our conceptualization predicts that females would only avoid female-related products (and not male-related products) when female identity is threatened and not when male identity is threatened or when no threat is present. In addition, we had participants evaluate both positive and negative biographies. If motivated by a need for self-protection, those low in ingroup identification should avoid both positively and negatively valenced products associated with a threatened aspect of identity. Our design allows participants to enhance the self by preferring products with positive connotations related to their identity. Results revealed that, females motivated by self-protection (i.e., those low in ingroup identification) avoided positive and negative female-related products (and not male-related products) when their own gender identity was threatened.

The current research builds on social identity theory by demonstrating a unique response to social identity threat—shifts in product preferences and choices. Taken together the results of three studies suggest that the avoidance of products associated with a threatened aspect of identity is related to the desire for self-protection.

## I Know a "Guy": The Consequences of Using Social Capital to Facilitate Consumption Experiences
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**Conceptualization**

As the fabric of civilization, social relationships play an important, yet often inconspicuous role in society by binding individuals together and facilitating correspondence and collaboration among them. Because of their inherent function in social interactions, relationships influence many different aspects of human behavior, including those related to consumption. Consequently, the purpose of this paper is to investigate consumers' use of personal relationships to facilitate purchases. Interestingly, the basic questions of whether, how, and why consumers utilize personal relationships to improve their purchase outcomes remain largely unaddressed in the marketing literature. However, given the extent to which consumers are connected to one another, answering such questions becomes important if scholars are to fully understand this novel and intriguing dimension of consumer behavior.

We approach these important questions using a social capital theory framework, which posits that individuals utilize resources embedded in social relationships to create benefits or returns (Coleman, 1988, 2002; Portes, 1998, 2000; Lin 2001). From an individualistic perspective, social capital theory focuses on the resources ingrained in an individual's social relationships and how using these resources benefits the individual. These resources are considered social because they can only be accessed through direct and indirect ties with others. Common forms of social resources include advice, information, ideas, and support. Ultimately, to possess social capital, an individual must have relationships with others; it is only through social interactions that social capital can exist and benefit the individual (Coleman, 1988, 2002; Portes 1998; Lin 2001).

Given the communicative nature of this phenomenon, it is important to briefly distinguish social capital from word of mouth behavior. Whereas word of mouth typically refers to informal information transmission related to existing products, services, or events, social capital extends this conceptualization by focusing specifically on the nature and the strength of the relationships among those involved in the communication of information. In addition, the information transmission resulting from social capital mobilization tends to be more structured, intentional, and proprietary than that of word of mouth communication. As a result, consumers utilizing social capital to make purchases may intentionally and systematically draw upon their personal relationships to find the right person, place, product, or price, thus enhancing their returns in the marketplace.

**Method**

As suggested previously, we seek to understand how consumers utilize social capital to make purchases, the benefits of doing so, and the impact of this behavior on the consumption experience. Given that research on this topic is sparse, our research represents an initial stride into this realm. As a result, we utilize grounded theory methodology (Glaser & Strauss, 1967; Strauss & Corbin, 1998) to extend and refine social capital theory in the context of consumption. We conduct semi-structured depth interviews with 19 U.S. consumers, yielding 72 unique social capital consumption experiences. Participants were selected using established theoretical sampling techniques (Glaser & Strauss, 1967; Strauss & Corbin, 1998; Charmaz, 2006).

Our analysis of the qualitative data involves several concurrent processes. We employ *open coding* to identify important concepts in the data, including properties and dimensions (Strauss & Corbin, 1998). We utilize *axial coding* to reassemble the data that were disjointed during the open coding process and to understand how emerging codes relate to larger categories of interest (Strauss & Corbin, 1998). These two processes combine to yield a concise set of conceptual categories. In addition, we use *selective coding* to identify the relationships among the main categories that emerge from our data during *open coding* and *axial coding* (Strauss & Corbin, 1998). To ensure that the developing theory is well-grounded in the data, we adhere to the "constant comparative approach" proposed by Glaser & Strauss (1967). Finally, to establish trustworthiness, we conduct member checks with all study participants by mailing interview transcripts to respondents and asking them to verify that the written record accurately represents their thoughts and experiences (Lincoln & Guba, 1985).

### Findings

Our analysis illuminates several important findings with respect to how consumers use social capital to facilitate their consumption experiences. We find that consumers utilize three main types of social connections to mobilize social capital in the marketplace. We identify these as *primary*, *secondary*, and *extended linkages*. Further, we highlight the different methods that consumers use to mobilize social capital, including *intentional*, *cooperative*, and *serendipitous approaches*.

In addition, we also identify why consumers utilize social capital to facilitate their consumption experiences. We glean twelve distinct benefits of social capital use from the data, which subsequently constitute four broad outcome categories. These categories include *economic*, *informational*, *procedural*, and *affective benefits*. Furthermore, we identify the unique relationships among these emergent categories to delineate and refine social capital theory in the context of consumption. Finally, we uncover several negative aspects of using social capital in the marketplace, including *recourse bridling*, *trust decay*, and *relationship atrophy*.

This paper makes several new and important contributions to the consumer literature. First, it identifies the distinct processes that consumers use to mobilize social capital, including the type, strength, and nature of the relationships involved. Second, it derives the benefits that consumers achieve by leveraging their social relationships, while also identifying the relationships that exist among these key constructs. In addition, it also uncovers several unforeseen drawbacks associated with consumer social capital mobilization. Identification of these adverse aspects of social capital adds richness and depth to social capital theory, both inside and outside of the consumer domain. Finally, the paper integrates various findings to arrive at a dynamic conceptualization of social capital theory in the context of consumption. Doing so helps to provide new theoretical insight into this interesting and important dimension of consumer behavior.

Finally, our data suggest that the outcomes derived from social capital mobilization impact other important aspects of consumer research, including: reactions to persuasion attempts, customer satisfaction and loyalty, cognitive biases, consideration and choice sets, and referral behavior. As a result, understanding the ways in which consumers utilize social capital to make purchases may illuminate other important dimensions of consumer behavior.

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# Making Choices Depletes the Self's Resources and Impairs Subsequent Self-Regulation

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Choice is a complex aspect of human life. Each day, consumers make choices that range from integral to trivial. Choices that at one time were fairly simple (e.g., small, medium, or large coffee) have become extremely complex (e.g., in 2003 Starbuck's patrons could choose from 19,000 different beverage selections). Although most consumers would agree that choice, in general, is desirable, choice is not without drawbacks. For one, the information overload that accompanies large choice sets can confuse and frustrate consumers (Huffman and Kahn 1998; Maholtra 1982), even to the point of lessening the odds that consumers will purchase a product out of a large choice set, as compared to when consumers are faced with smaller choice sets (Iyengar and Lepper 2000).

Our investigation provides one explanation for choice's disadvantageous outcomes. We hypothesized that choice is costly to the executive function and can have harmful effects on subsequent tasks. Recent work has focused on an internal resource, resembling energy, upon which the self draws to power the executive function. This resource has been shown to be depleted by the executive function's actions,

and mainly previous research has focused on the debilitating effects of self-regulation. Specifically, people who engage in self-regulation are less successful at subsequent self-regulation tasks as compared to those who had not self-regulated (Baumeister 2002; Muraven, Tice and Baumeister 1998; Vohs and Heatherton 2000). Behavior problems (e.g., overeating) can even follow from depletion of the resource (Vohs and Heatherton 2000).

Choice is defined here as a conscious weighing of alternatives and, along with self-regulation, is a process governed by the self's executive function. The Rubicon Model of Action (Heckhausen and Gollwitzer 1987; Gollwitzer 1990; 1996) characterized choice as a leap between deliberation (thinking about options) and implementation (acting on a choice). Moreover, the two decisional stages of deliberation and implementation are conceptualized as two distinct mindsets. Therefore, moving from one stage to another (i.e., making a choice) requires switching mindsets, which means going from one way of thinking to another that is qualitatively different. Akin to self-regulation requiring energy to alter responses, choice may also require energy to make the leap from deliberation to implementation. Therefore, we proposed that choice may deplete the executive resource.

Following from the idea that choice and self-regulation draw on the same resource, our hypothesis was that making choices depletes the internal resource which, in turn, leaves less of that resource available for self-regulation. Therefore, participants who make choices will be less successful at subsequent self-regulation tasks as compared to participants who do not make choices.

Experiment 1 was designed to show the effect of choice on self-regulatory performance. Participants either made a multitude of choices between two options (choice condition) or evaluated advertisements (no choice condition). Participants' self-regulation task was a test of pain tolerance measured by the length of time they could hold their arm in near-freezing water. As predicted, participants who had not made choices (i.e., who had not depleted their regulatory resources) tolerated the cold water longer than participants who had made choices, showing ego depletion through poorer self-regulation.

A field test of the choice effect was conducted in Study 2. Consumers in a shopping mall were approached with the opportunity to participate in a questionnaire concerning the choices they had made during their shopping trip. The questionnaire was followed by an arithmetic task consisting of three pages of three digit addition problems. Consistent with the hypothesis, shoppers who had reported making more choices spent less time on the math problems and completed fewer problems than shoppers whose choices had been few.

To disentangle the effect of choice on self-regulatory depletion from its constituent parts (deliberation and implementation), we conducted Experiment 3. Participants went to dell.com in order to carry out one of three sets of instructions: full choice (selecting components they would prefer in a computer by entering them into the website), deliberation (thinking about what they would prefer but not entering), or implementation (simply selecting pre-established components on the website). Self-regulation was operationalized as persistence on a solvable anagram task. The results showed that participants in the choice condition spent less time solving anagrams than participants in the deliberation or implementation conditions. This finding supported our hypothesis that choice depletes resources differently than deliberation or implementation alone.

Experiment 4 was designed to test two hypotheses. One prediction was that choice has cumulative effects on self-regulatory resource depletion (i.e., more choices lead to more depletion). Our second prediction was that enjoyment of the choice task moderates the depletion effects. Therefore, people who enjoy the choices they are making will not experience self-regulation failure to the same degree as people who do not enjoy making the choices. Participants made many choices (12 minutes on a bridal registry website), few choices (4 minutes), or no choices. They were then seated in front of a video that was actually only static. Self-control was measured by the time a subject took to alert the experimenter to the problem. More time indicated more passivity and hence less self-control. Indeed, those who had spent the most time making choices took the longest to alert the experimenter to the problem, followed by participants who had made few choices and participants who had made no choices at all (showing the least passivity). Further, enjoyment was only a moderator for those in the four-minute condition; participants who enjoyed the choices showed less passivity than those who disliked the task. Participants who disliked the choices showed similar patterns of passivity as participants who had made choices for 12 minutes. It seems that enjoyment can curb depletion, but only up to a certain extent.

Overall, these experiments demonstrate that making choices depletes resources that are needed for self-regulation. Choice-based depletion reduces the availability of the resource, which results in poor performance on subsequent self-regulation tasks. The effect is robust across domains (e.g., pain tolerance, math problems, anagrams, and passive responding). Our findings advance the importance of considering a general resource for the actions of the executive function of the self.

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# Developing a New Measure of Materialism

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Richins and Dawson (1992) defined materialism as "the importance ascribed to the ownership and acquisition of material goods in achieving major life goals or desired states." What are these goals? We believe that people value material possessions for three reasons: (1) they may believe that these possessions bring happiness to their lives (Richins and Dawson, 1992; Belk, 1984); (2) these possessions symbolize achievement and success, which in turn generate social recognition and status (Richins and Dawson, 1992), and (3) possessions make people feel distinctive from others, which in turn promote self-importance. The existing measures of materialism do not capture these three dimensions comprehensively. Therefore, we set to develop a new measure of materialism to capture these three dimensions of materialism.

We developed 75 items based on the literature and our construct definitions. After reviewing the items, some of them were deleted because of heavy wording problems and the total number was reduced to 60: 20 items for each of the three dimensions (i.e. happiness, success, and distinctiveness). These items reflected four sub-dimensions: value, affect, belief, and behavior. The measure was administered to 324 students enrolled in a marketing class at a major east coast university.

Initial reliabilities were assessed for both individual subscales and the materialism scale as a whole and six items were deleted because of low corrected item-to-total correlations.

For each of the dimensions, an Exploratory Factor Analysis was conducted employing principal axis factor extraction and oblique rotation. A four-factor solution was achieved for *happiness*, explaining 45% of the variance. Factor analysis results indicated three-factor structure for *success*, explaining 49% of the variance. The first factor included all "affect" items. The second factor was composed of all "behavior" items and one "value" item and the last factor included all "belief" items and one "value" item. Two factors were extracted for *distinctiveness*. The first factor included all "behavior" and "affect" items whereas the second factor included all "belief" and "value" items. This structure explained 57% of the variance. Because of high cross-loadings and low communalities, two items were deleted, leaving 52 items.

Convergent validity was assessed by employing Confirmatory Factor Analysis (CFA) using AMOS 7.0 (Arbuckle, 2007). Two nested models were tested for each dimension: a first-order model that did not include the four subdimensions (value, belief, affect, and behavior) and a second-order model that included the four subdimensions. For each dimension, the second-order model fitted the data better than the first-order model. After deleting some of the items that did not load highly on the expected subdimensions, the selected number of items for each dimension was as follows: 13 for happiness, 10 for success, and 12 for distinctiveness.

Two more CFAs were conducted to see whether these dimensions represented the underlying conceptual structure. The first-order model included materialism as the only latent variable, whereas the second-order model included both dimensions and materialism. By using 35 items, both models did not fit the data well. After some of the items with low loadings were deleted, the second-order model with 14 items provided a better fit with $\chi2$ (74, N=324)=296.541 ($p<.001$), TLI =.905, CFI =.933, and RMSEA =.096.

The final selected items for *happiness* are "Acquiring valuable things is important for my happiness"; "Having luxury items is important to a happy life"; "To me, it is important to have expensive homes, cars, clothes, and other things. Having these expensive items makes me happy"; "Material possessions are important because they contribute a lot to my happiness." There are four items for *success*: "I love to buy new products that affect status and prestige"; "I like to own expensive things than most people because this is a sign of success"; "I feel good when I buy expensive things. People think of me as a success"; "I would pay more for a product if people think of it as a sign of success." The *distinctiveness* dimension includes six items: "My material possessions are important because they make me stand out from the crowd"; "I enjoy owning expensive things that differentiate me from other people"; "I enjoy buying unique and expensive things, because they make me feel different"; "I enjoy owning expensive things that make people think of me as unique and different"; "I usually buy expensive products and brands to make me feel unique and different"; "I usually buy expensive things that make me look distinctive."

Final reliability values were high with Cronbach's Alphas equaled to .882 for happiness, .881 for success, .921 for distinctiveness, and .946 for materialism.

The purified measure was further examined to check whether it performed as expected in a nomological network. Consistent with the literature, we hypothesized that both dimensions and the materialism as a whole would be negatively correlated with life satisfaction (Cole et al., 1991; Richins and Dawson, 1992). Life satisfaction was measured by a single item (Cantril, 1965). Bivariate correlations supported the hypothesis with Pearson correlations equaled to -.168 for happiness, -.189 for success, -.238 for distinctiveness, and -.226 for overall materialism scale ($p<.01$ in all cases). Past research has also indicated that materialistic people are less satisfied with their standard of living (SOL) (Richins & Dawson, 1992; Sirgy et al, 1998). Both the distinctiveness dimension and materialism were negatively related to SOL (measured by a scale adapted from Sirgy et al, 1998) with $r=-.155$ ($p<.01$) and $r=-.129$ ($p<.05$), respectively.

One of the most examined antecedents of materialism is exposure to materialistic advertising (e.g., Buijzen & Valkenburg, 2003). Both happiness and materialism were positively related to exposure to materialistic advertising (assessed by fourteen semantic differential items): $r=.114$, $p<.05$ for happiness; $r=.116$, $p<.05$ for materialism). Lastly, we looked at the relationship between peer communication (Churchill & Moschis, 1979) and each dimension, as well as materialism. All correlation coefficients were significant at .01 level: .278 for happiness, .212 for success, .236 for distinctiveness, and .273 for materialism.

Both reliability and validity assessments suggest that this new measure of materialism makes a contribution to the consumer behavior literature related to materialism.

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# End of Life Decision Making: Examining Factors that Lead to Planning

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Given the financial outlay involved in purchasing death care products (Fan and Zick 2004), as well as the cultural and psychological significance of the funeral ritual (Kastenbaum 1992), consumers would presumably engage in more planning for this unique product. However, a national survey conducted in 2004 reported that although 72% of consumers expressed favorable attitudes about prearranging a funeral, less than 36% of those consumers had actually taken steps to make such plans (Wirthlin 2005). A lack of preparation for end of life may make consumers more susceptible to abuses in the purchase decision process when decisions may have to be made under severe time constraints and grief (Federal Trade Commission 1975, Gentry 1995).

Because of the significance and magnitude of making end of life decisions, a number of consumer protection and government groups have attempted to encourage consumers to plan ahead and make decisions about death care alternatives. This research develops and tests a model that examines some of the attitudinal and motivational constructs that lead to funeral planning behavior. Specifically, it introduces a death attitudinal construct known as death avoidance, which involves resisting considering thinking or talking about death in order to reduce death anxiety (Wonder Reker and Gesser 1994). The model helps to understand consumer behavior in this product category and provides some guidance for transformative consumer research that might address individual factors related to end of life decision making.

## Overview of Model

Making end of life decisions is a unique decision task, which may be affected by an individual's perceived degree of control over the planning process, age, income, opinions of "important others" or subjective norms, as well as an individual's attitude about death. Based on a review of the consumer research literature, we propose a model that predicts intentions to engage in funeral planning. The model is derived from attitudinal and motivational models that have been used to predict human behavior (Ajzen 1991; Netemeyer, Burton and Johnston 1990; Warburton and Terry 2000).

We hypothesize that an individual's attitude toward funeral planning is affected by that individual's degree of perceived behavioral control, or the perceived ease or difficulty in performing funeral planning behavior. In turn, we believe that perceived behavioral control is directly affected by an individual's age, death avoidance and income. Additionally, age is also predicted to moderate the relationship between death avoidance and attitude toward funeral planning.

Further, we offer that an individual's attitude toward funeral planning will have a direct effect on an individual's intentions to engage in funeral planning. Finally, subjective norms, or the perceived social pressure to engage or not engage in planning behavior, will also have a direct effect on intentions to engage in funeral planning.

Our model will also examine three mediating relationships. We believe that perceived behavioral control will mediate the relationships between death avoidance and attitudes toward funeral planning. In addition, we predict that perceived behavioral control will mediate the relationships between age and attitude toward funeral planning. Attitude toward funeral planning is hypothesized to mediate the relationship between age and intentions to engage in funeral planning.

## Methodology

To test the model, data were gathered from two hundred and nine non-student adults from a southern part of the United States. Respondents were presented with survey questions related to funeral planning and were given instructions that "planning" could include discussing plans, leaving instructions with family, or making decisions about funeral and burial goods and services that may or may not require payment in advance. Because direct and mediated effects as well as an interaction were hypothesized, hierarchical regression was used as an analytical approach (Aiken and West 1991; Baron and Kenny 1986; Muller, Judd and Yzerbyt 2005) to estimate the relationship between the constructs in our model.

## Results and Discussion

Results from our model suggest that perceived behavioral control is an antecedent to attitude towards planning, as was proposed. Incorporation of the additional variables—death avoidance, age, and income provided further insight. There were negative relationships between death avoidance and perceived behavioral control as well as attitude toward funeral planning. Individuals may experience lack of control in planning because of an inability to come to terms with their own mortality. These sources of resistance may be due to death avoidance.

Age had a positive, direct effect on an individual's level of perceived behavioral control and the relationship between age and attitude towards planning was partially mediated by perceived behavioral control. Although there was a positive relationship between age, perceived behavioral control, attitudes toward planning and intentions to engage in planning, it appears that an individual's age does not interact with an individual's level of anxiety about death. One explanation for this is that some older individuals do not feel "integrity," or a sense that their life has been meaningful and worthwhile. A lack of integrity could mean that individuals find it uncomfortable contemplating their own mortality and considering funeral planning, regardless of their age.

There was also not the predicted direct relationship between income and perceived behavioral control. This may be due to the fact that discretionary income, rather than gross income, has more impact on an individuals' perception of available resources to engage in funeral planning. Significant (and positive) relationships were found between attitude toward funeral planning and intentions to engage in funeral planning and subjective norms and intentions to engage in funeral planning. Additionally, partial support was found for all three mediating relationships proposed.

Systematic consumer research is needed to help in understanding the consumer decision making process in this unique product category. Our findings provide insight for transformative consumer research as well as social marketing efforts that might help in encouraging consumers to initiate dialogue about end of life preferences. In our study, we found that funeral planning might be subject to control factors such as money or psychological variables related to an individual's attitude about death. We also found that the subjective norm construct was significantly and highly related to intentions to plan. Historically, the subjective norm has been found to be a weak predictor of intentions (Azjen 1991). The relative importance of subjective norms or "important others" in funeral planning behavior may provide some useful insight into the importance of the family structure in this consumption behavior. Further, our model provides evidence that an attitude about death clearly have some effect on their propensity to engage in planning behavior. Marketing communications messages that use persuasive techniques (Knowles and Linn 2004) to mitigate the anxieties and resistance that individuals may have about death might be more effective than other types of appeals in encouraging planning behavior.

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# The Moderate Effect of Customer's Brand Awareness on Attitude Change of a Well-Known Brand

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Most heavily advertised brands in the market are well-known brands and it is important for us to know whether a well-known brand should still deliver advertising heavily. However, most ad researches simply divide brands into familiar and unfamiliar brands (e.g. Campbell and Keller 2003; Kent and Allen 1994), few researches pay attention to heterogeneity in consumers of well-known brand. This might be the cause for opposing views for effectiveness of well-known brand's ads. Kent and Allen (1994), and Campbell and Keller (2003) find that brand familiarity plays a positive role in communication effectiveness. This implicates that well-known brands should deliver

advertising heavily. However, similar to Machleit and his colleagues (1993), Campbell and Keller (2003) also find that attitude toward the ad has a more powerful impact on brand attitudes for unfamiliar than for familiar brands. Lodish and his colleagues (1995) find that the advertising tests are much more effective for new brands than for established brands. Therefore, well-known brands should not deliver advertising heavily.

We divide consumers of a well-known brand into low and high brand awareness (Laroche et al 2005) categories (in addition, assuming another group with none brand awareness for an unknown brand). These two categories may have different responses to a well-known brand advertisement. When we regard the audiences of a well-known brand as a whole (e.g., Kent and Allen, 1994; Campbell and Keller, 2003), the conclusion is highly contingent on the higher proportional audience type, which in turn might lead to some inconsistence of current research conclusions. In this article, we attempt to examine the moderate effect of brand awareness on brand attitude change.

Three experiments are respectively focused on host product, extended brands' product, and co-branding product with three well-known brands Pepsi, Lenovo and Coca-Cola. The number of participants in Pepsi, Lenovo and Coca-Cola experiments are 207, 405 and 207 respectively. Strong arguments printing ads with real positive information are used as stimulus. All of the participants know the brands but are quite unfamiliar with the ads. The measurement items of brand attitude, attitude toward ad, purchase intention, and message involvement are selected from the literature. Brand unfamiliarity/familiarity and unknown/known are used to measure brand awareness, and brand cognition is measured by thought listing. Reliabilities for all measurements are bigger than 0.7. Exploratory factor analysis was conducted in Lenovo experiment and confirmatory factor analysis in the other two.

The samples are collected one by one in similar self-study rooms by giving a small gift. The questionnaire is 3-paged. Pre-ad attitude, demographic items and other irrelevant questions are contained in the first page and filled out first. After that, the participants are required to read the ad and then to fill in questions in third page. It costs each participant 4-8 minutes to complete the process. Difference between high and low brand awareness is examined by brand usage experiences. Solomon four-group design in Pepsi and Lenovo experiments is conducted to verify whether the experimental stimulus is the only factor for the difference between the pre-experimental test and the post-experimental test.

Participants with low brand awareness in all the three experiments change their attitudes from pre-ad one to post-ad one. The correlation analysis of brand awareness and pre-ad brand attitudes shows that the higher brand awareness, the higher brand attitude evaluation. Further study in the cross effect of brand awareness X message involvement in all the three experiments shows that brand attitude does significantly change before and after ad only when participants have low brand awareness and high message involvement. Ad attitude of the participants with low brand awareness have significantly greater effect on brand attitudes than that of the participants with high brand awareness. However, the effects of cognitive brand response and pre-ad brand attitudes on post-ad brand attitudes are pretty much the same among different levels of brand awareness.

Brand awareness has a significant moderator effect on the three pre-ad brand attitudes, but message involvement has no significant moderator effect on pre-ad brand attitudes. However, when controlling pre-ad brand attitudes, message involvement has a significant moderator effect on post-ad brand attitudes, while brand awareness has no moderator effect on post-ad brand attitudes.

We find in this study that when the level of brand awareness is high, consumers' preference in the brand will increase. The result demonstrates that brand awareness could have a positive effect on ad effectiveness. However, this result only reflects comprehensive effectiveness of enterprises' past marketing effort, rather than the effectiveness of one ad exposure. Therefore, ad exposure has insignificant effect on brand attitudes change to people with high brand awareness. This could explain why the sales will not accordingly increase from ad during continuous large-scale ad delivery. Furthermore, this study implicates that the attitude curve is S shape with segments of none brand awareness, low brand awareness and high brand awareness. When an unknown brand is used to study ads, it is possible that participants do not obtain high awareness during the experiment. Therefore, the study results might be very different from using a well-known brand.

There are some limitations in this study such as limited experiment stimulus and without considering the effect of competitive interference groups and low level exposure groups. In the future study, we will use emotional advertising as experimental stimulus, and carry out experiments with competitive interference groups and low level exposure groups.

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# More Than Meets the Eye: The Influence of Implicit versus Explicit Self-Esteem on Materialism

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One of the most consistent findings reported in the materialism literature is the link between self-esteem and materialism, with lower feelings of self-worth related to higher levels of materialism (Mick 1996; Richins and Dawson 1992). Material goods are viewed as a way for individuals with low self-esteem to cope with or compensate for doubts about their self-worth.

Recent developments in self-esteem research suggest that the relationship between self-esteem and materialism may be more complicated. Two forms of self-esteem have been identified: explicit versus implicit self-esteem (Greenwald and Banaji 1995). *Explicit self-esteem* is defined as conscious evaluations of the self, whereas *implicit self-esteem* is defined as unconscious evaluations of the self. Consistent with Wilson, Linsey and Schooler (2000)'s dual attitude model, people can have two different attitudes toward the self, such as implicit versus explicit self-esteem. In fact, explicit self-esteem is only weakly correlated with implicit self-esteem, which is considered a distinct dimension of self-esteem (Bosson, Brown, and Zeigler-Hill 2003).

In this paper, we examine the importance of implicit self-esteem as a contributor to materialistic tendencies. We report two studies that demonstrate the usefulness of this construct for understanding materialism. Each of the studies and findings are described below.

## Study 1: The Interaction of Implicit and Explicit Self-Esteem

Prior research has found that individuals with high (explicit) self-esteem exhibit lower levels of materialism. However, individuals with high (explicit) self-esteem are not a homogeneous group. Depending on the level of implicit self-esteem, this group can be categorized into individuals with *congruent high self-esteem* (high explicit/high implicit self-esteem) and individuals with *discrepant high self-esteem* (high explicit/low implicit self-esteem).

Not surprisingly, these two groups exhibit different behavioral patterns. Individuals with discrepant high self-esteem have underlying self-doubts associated with low implicit self-esteem. To conceal such negative self-feelings, these individuals use various forms of self-enhancing strategies. Relative to individuals with congruent high self-esteem, they tend to exhibit overt grandiosity, higher levels of narcissism, and indirect forms of self-enhancement, such as out-group derogation and in-group biases (Bosson, Brown, and Zeigler-Hill 2003; Jordan et al. 2003; Kernis et al. 2005). In sum, individuals with discrepant high self-esteem possess some of the same characteristics usually attributed to individuals with low (explicit) self-esteem, with both groups engaging in self-enhancing strategies to compensate for negative self-feelings.

Thus, we predict that individuals with discrepant high self-esteem will exhibit high levels of materialism, compared to individuals with congruent high self-esteem. We measured intact levels of implicit and explicit self-esteem, comparing how combinations of these types of self-esteem relate to materialism. Explicit self-esteem was measured using the Rosenberg Self-Esteem Scale (Rosenberg 1965), and implicit self-esteem was measured using the self-esteem Implicit Association Test (IAT: Greenwald and Farnham 2000). In the computerized self-esteem IAT, the participants were asked to categorize words as quickly and as accurately as possible. This test is based on the logic that individuals with high implicit self-esteem will associate the self and positive affect automatically. They will respond faster when they indicate whether a word belongs to the *self + pleasant* category vs. the *other + unpleasant* category than when they indicate whether a word belongs to the *self + unpleasant* category vs. the *other + pleasant* category. Materialism was measured in two ways: (1) Richins and Dawson (1992)'s materialism rating scale; and (2) a qualitative task in which levels of materialism were revealed by asking participants to construct a collage to answer the question: "What makes me happy?" (see Chaplin and John 2007).

The results were supportive of our hypothesis. Individuals with discrepant high self-esteem (high explicit/low implicit self-esteem) were more materialistic than individuals with congruent high self-esteem (high explicit/high implicit self-esteem). Thus, contrary to prior materialism research, we find that individuals with high (explicit) self-esteem are not always immune to the appeals of materialism. Implicit self-esteem must be taken into account to understand what types of high self-esteem individuals are more or less susceptible to materialism.

Also of interest was the fact that the collage materialism measure was most effective in detecting the hypothesized differences. This appears to be related to the fact that the collage measure was less affected by socially desirable responding than the rating scale measure. In fact, when SDR was controlled, the rating scale measure revealed the same patterns as the collage measure. This finding parallels results from implicit attitude research, showing that implicit attitudes predict less controlled responses (Payne et al. 2005).

## Study 2: The Causal Impact of Implicit Self-Esteem on Materialism

Next, we examined the causal link between implicit self-esteem and materialism by priming implicit high self-esteem. Findings from Study 1 are suggestive, but do not rule out the possibility that materialism affects implicit self-esteem, rather than the reverse. In Study 2, we primed implicit self-esteem through subliminal evaluative conditioning (Dijksterhuis 2004), while measuring the intact levels of explicit self-esteem. In a lexical decision task presented on a computer, the participants were asked to respond as quickly as possible whether the target was a real word. In the priming condition, the self-depicting word "I" (for 17 ms) was immediately followed by a positive word; in the control condition, the word "I" was substituted with the letter "X." Materialism was measured using the collage task, given the results from study 1.

The results replicated those of Study 1. High implicit self-esteem priming reduced materialism; indeed, materialism was lower for the high explicit self-esteem participants in the priming condition than those in the control condition.

## Summary

Prior research has found that individuals with high self-esteem are less materialistic than those with low self-esteem. We add to these findings by distinguishing two types of self-esteem, explicit and implicit self-esteem, and demonstrating that they have a joint influence

on materialism. Specifically, we find that individuals with high explicit self-esteem vary in their tendency to self-enhance through material things as a function of their levels of implicit self-esteem. Thus, contrary to prior research, individuals with high explicit self-esteem can be susceptible to materialism.

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# The Effect of Regulatory Focus on the Anchoring Bias

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Consumers' numerical judgments (e.g., decisions on purchase quantity and willingness-to-pay) are often influenced by irrelevant anchor values provided by marketers (e.g., Wansink, Kent, and Hoch 1998). Although the research on anchoring bias is extensive, little extant research has investigated the moderating role of motivation or personality traits. The present research seeks to fill this research gap by examining the influence of regulatory focus on anchoring bias.

Recent theories of the anchoring bias highlight the role of biased memory retrieval process (e.g., Chapman and Johnson 1999; Strack and Mussweiler 1997). According to the selective accessibility model (Mussweiler and Strack 1999), for instance, the presence of the anchor activates a confirmatory retrieval process that favors anchor-consistent information at the expense of anchor-inconsistent information. As a result, anchor-consistent information becomes more accessible at the time of numerical judgment and thus exerts more influence on judgment than anchor-inconsistent information (Feldman and Lynch 1988). For example, when a decision maker is asked, "Is the Mississippi River longer or shorter than 12,000 miles?" the anchor value (12,000 miles) facilitates the recall of information that is supportive of the notion that the Mississippi River is very long. Information that suggests otherwise is inhibited. Thus, the decision maker will give a much higher estimate when she is later asked to estimate the actual length of the river. Consistent with these arguments, elaboration of the anchor value has been shown to increase the anchoring bias because such elaboration further enhances the relative accessibility of anchor-consistent information (e.g., Wilson et al. 1996).

Research on regulatory focus has offered growing evidence on the significant differences in processing style between promotion focus and prevention focus. As pointed out by Higgins (1998) and Pham and Higgins (2005), promotion focus generally facilitates a more explorative and inclusive processing style where alternatives are eagerly sought whereas prevention focus encourages a more vigilant and exclusive processing style that scrutinizes the information involved in the decision task. For example, Friedman and Förster (2001) showed that individuals who were primed with prevention focus were less creative in problem solving, more rigid in categorization, and more prone to associative interference. Likewise, decision makers under prevention focus have been shown to generate and endorse fewer alternative hypotheses than their promotion-focused counterparts (Liberman, Molden, Idson, and Higgins 2001). In the context of the current research, we propose that prevention focus is likely to exacerbate the confirmatory tendency of the memory retrieval process following exposure to the anchor value and thus further enhance the relative accessibility of anchor-consistent (vis-à-vis anchor-inconsistent) information. Due to such differences in processing style between promotion focus and prevention focus, we hypothesize that individuals under prevention focus should exhibit a stronger anchoring bias in numerical judgments than those under promotion focus.

This hypothesis was tested in two laboratory experiments. Both experiments used a 2 (regulatory focus; between-subjects) x 2 (anchor value: high vs. low; within-subjects) mixed design. In both experiments, participants were first primed with either promotion or prevention focus (using the priming procedure in Lockwood, Jordan, and Kunda 2002) and then made numerical judgments with either high or low anchor values. The data provided strong support for our hypothesis. The data revealed a significant regulatory focus x anchor value interaction such that answers from participants who were primed with prevention focus (vis-à-vis those primed with promotion focus) were closer to their anchor values, indicating greater anchoring effect. Moreover, in study 2, after numerical judgments, participants were also asked to list the thoughts that went through their minds as they were making the numerical judgments. These verbal protocols were coded as consistent, inconsistent, or irrelevant to anchor values. As expected, prevention-primed participants listed proportionally more anchor-consistent thoughts than did promotion-primed participants. A mediation analysis confirmed that the effect of regulatory focus was mediated by the relative proportion of anchor-consistent vs. anchor-inconsistent thoughts in the verbal protocols.

These results suggest that the effectiveness of anchoring-inspired marketing practices (e.g., displaying MSRP) is likely to vary depending on the regulatory focus of the customer. This research contributes to the growing literature on anchoring bias and regulatory focus. In particular, it offers interesting insights regarding the effects of regulatory focus on consumers' information processing strategies. It also holds important implications for cross-cultural marketing since Asian cultures are generally more prevention-focused than their western counterparts (e.g., American).

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# Getting Begets Wanting: A New Theory about Long-term Changes in Strength of Motivation

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Standard theories of motivation propose that satisfaction reduces subsequent motivational drive (Hull 1943; Spence 1956). These theories of motivation are based on the satiation cycle, which presumes a standard pattern of motivation, such that people have desires, pursue satiation of those desires, and when they are able to satiate those desires, their motivational strength for those desires is reduced. Although we agree with this account of motivation for desires in the short run, we contend that a new model better accounts for changes in motivational strength over the long run. Rather than extinguishing subsequent wanting, the effect of satiating a desire may trigger a stronger and longer-lasting wanting for a stimulus. This new theory of long-term changes in motivation is entitled "getting begets wanting" and three experiments were conducted to test it. In sum, the getting begets wanting theory predicts that satiation of desires will lead to a long term increase in motivational strength for an object.

We conducted three studies to test getting begets wanting. Our goal across these studies was to expose or increase exposure to an object or event, and then to test for changes in motivation to experience that object or event after some period of time.

In experiment 1, participants were randomly assigned to take home either a crossword puzzle book containing puzzles ranging in difficulty or a hand-held electronic Solitaire game (a control group served as a baseline for comparison and completed only pre- and post-experimental tasks). Participants in the two experimental conditions were asked to complete crossword puzzles or play their game for 20 minutes each day, and to complete questionnaires about their mood (before and after the activity), their success at the activity, and amount of time spent thinking about the activity. Results indicated that participants in the experimental conditions enjoyed their activities (crossword puzzle or video game) more, thought about them more, and felt more successful than did control-condition participants.

Furthermore, at the end of the five-day experiment, participants were asked to take part in another short, unrelated experiment with a different experimenter. They first completed several filler questionnaires which were intended to make the concept of the games less salient. Next, they were asked to choose between several activities, one of which was the game they had played during the previous five days. The results indicated that participants chose this option at a greater probability than would be predicted by chance and at a higher level than participants in the other condition.

Experiment 2 tested getting begets wanting in the context of napping behavior. Participants were randomly assigned either to take a nap for 15 minutes per day for four of eight days, or to *think about* taking a nap for eight minutes on each of eight subsequent days. This control condition equated the concept of napping as activated mentally. Results indicated that participants in the "actual-napping" condition thought more about napping, were more satisfied and enjoyed the experiment more as the days went by than did participants in the "think-about-napping" condition. This method provides a stronger test of the getting begets wanting theory than that in experiment 1: the control group in this study rules out the possibility that merely *thinking about* an activity is sufficient to increase subsequent motivation for an action or event. Only actually *getting* (i.e. becoming satiated) increases subsequent wanting.

Experiment 3 tested getting begets wanting in the context of reading the news. Participants were randomly assigned to one of three conditions, two of which were control conditions. Participants in the experimental condition completed an initial questionnaire regarding their news-related behaviors. Next, they were asked to read the top 10 news stories on a popular news website every day for a two week period. Participants in a monitoring condition similarly completed an initial questionnaire, but they were then asked to keep a daily diary of their news-related behaviors. Participants in the second condition completed only post-experimental measures (as a no-treatment control). At the end of the two-week period, all participants were asked about their news-related behaviors over the previous two weeks. Results indicated that participants who were randomly assigned to consume news were later more involved in consuming the news at the end of the two week period, compared to participants assigned to monitor their news-related behaviors and participants in a control group. Relating directly to the tenets of the getting-begets-wanting model, participants in the condition assigned to consume news later considered themselves to be more of a "news junkie" than did participants in either control group. In short, consuming news makes people want to consume more news in the future.

There were several benefits of this study over the previous two studies. First, we tested the getting begets wanting theory in a new domain. Second, we tested against a control condition that was also tracking participants' 'getting-related' behaviors (control condition 1), but we were not manipulating those. Instead, this control condition group was high in monitoring, as was the group who was in the getting condition, but the former also consumed more media overall, which in our model should stimulate the wanting response. Third, we tested whether a more generalized motivational state arose after daily consumption of news.

The results of all three studies supported the getting begets wanting theory: that getting people to engage in an activity leads them to want to perform the activity more over time. We expect that the reason the getting begets wanting theory works is because of the expanded time horizon in human beings, known as the "extended now." This model is also expected to apply to changes in appetitive desires, such as those for sex, alcohol, food, money, and gambling, as well as to consumer behaviors such as being a sports fanatic, cooking, and running.

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# Remembering What Was New: The Role of Stimlus Novelty in Retrospective Evaluation of Experiences

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People harvest their past experiences through memory. For instance, a pleasurable wedding provides memories that can be enjoyed over a lifetime of reminiscence. Conversely, memory of a stressful medical procedure imparts valuable lessons that guide future choices. Though we regularly draw on our memories, we can only remember the gist of the past, and this limitation impacts how we form evaluations of past experiences. When people form a retrospective evaluation they rely on a series of snapshots of important moments in an experience rather than an integration of all moments in the experience (Fredrickson and Kahneman 1993). According to this snapshot model, the most important gestalt characteristics of an experience are its peak, end, beginning, trend, and rate of change for the affect derived from the experience (Ariely 1998; Hsee and Abelson 1991; Kahneman et al. 1993; Schreiber and Kahneman 2000).

Service providers are particularly interested in people's global evaluations of experiences, because consumers rely on these evaluations when deciding whether to repeat experiences. Many service experiences are composed of discrete moments that are aggregated together to form a sequence, resulting in a partitioned experience (Ariely and Zauberman 2000; 2003). The discrete moments in a partitioned experience differ not only in their placement in time and their affective intensity, but also in the particular stimuli they are associated with and the specific emotions they evoke. For example, vacations include various activities that generate different moods, and dental appointments include procedures that vary in their form of discomfort. In this paper I ask, how do people arrive at an immediate global evaluation of these partitioned experiences, and how do they remember these experiences after a passage of time?

I argue that the level of familiarity people have with affectively-charged stimuli impacts their immediate, global evaluation of partitioned experiences and their later, retrospective evaluations. I propose that when people are familiar with the stimuli in a partitioned experience, they are able to perceive the discrete moments in a partitioned experience as a whole, resulting in a global evaluation heavily predicted by online ratings. However, when remembered after a delay, these mundane experiences assimilate to prior experiences in the

stimulus domain, resulting in devaluation of actual experience and over reliance on category knowledge (see Tulving 1972). In contrast, novel experiences exhibit a different hedonic calculus over time. In forming an immediate, global evaluation, people are less able to integrate the moments in a novel, partitioned experience. However, after a delay, they are able to integrate the experience because this greater temporal distance is associated with more holistic processing (Liberman and Trope 1998). Thus, I predict that for novel experiences, gestalt characteristics of the experience become more important in determining remembered utility over time, but for mundane experiences, gestalt characteristics of the experience become less influential over time.

The proposed mechanism has some preliminary support in the literature. Ariely and Carmon (2000), and Ariely (1998) show a muted effect of peak pain on retrospective evaluation when the focal experience is one of many such encounters with the stimulus domain. In their study, participants were long-term patients in a bone marrow transplant unit. These patients were asked to report overall evaluations of the pain experienced during a medical procedure. Long-term patients tended to provide retrospective evaluations that were based less on their online ratings of the focal experience. While these authors did not test the role of stimulus familiarity directly, their results would suggest that new patients in this unit would have a different evaluation process than long-term patients.

I tested the proposed mechanism with a controlled experiment. Participants were asked to listen to five aversive sounds for a total duration of five minutes. While listening to the sounds, participants provided their real-time ratings of the pleasure or displeasure they derived from listening to the sounds. As a between-participants manipulation, some participants listened to a mundane 'jackhammer' sound and others listened to a novel 'electric surge' sound at the final position of the five-sound sequence. These two sounds were selected to be the most unpleasant sound of each set. These peak sounds were pre-tested and validated with the same participants for perceived familiarity; the jackhammer sound was much more familiar to participants than the electric surge sound, though these two sounds were rated as equally aversive. After listening to all sounds, participants provided a global evaluation of the experience. Two days later, they were e-mailed and asked to provide another retrospective evaluation of the five-sound sequence. The results demonstrated that participants who listened to the mundane jackhammer sound as their peak sound tended to report global evaluations that were heavily determined by this peak. However, after a delay, their retrospective evaluations did not depend on their online evaluations of the peak, as would be predicted by the snapshot model. In contrast, participants who listened to the novel electric surge sound as their peak sound tended to report global evaluations that were not based on online ratings. However, after a delay, their retrospective evaluations were heavily predicted by their online evaluations.

Findings from this first study motivate further work on the role of stimulus novelty in retrospective evaluations of experience. In addition to testing the proposed mechanism for partitioned experiences, this research aims to address more broadly how consumers evaluate experiences they are already familiar with. This issue is relevant to marketers, because consumers regularly encounter the same experiences over and over again. For instance, a consumer may frequent the same restaurant, barber shop, and website. How might such a consumer arrive at a global evaluation of each repeat experience? Would the evaluation process for a familiar experience differ from that for the first encounter, when the experience was fresh, unfamiliar and novel? Further research will tackle these and other questions.

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# Sources of Brand Personality: A Survey of Ten Brands

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A brand, like a person, can be characterized as being "dependable", "lively", "exotic" or "old fashioned". Brand personality is defined as the set of human characteristics associated with a brand (Aaker 1997). Aaker developed a measurement scale of brand personality consisting of five dimensions and 42 traits. This scale, or parts of it, has been used in a number of studies of consumer behavior (e.g. Okazaki

2006; Supphellen and Gronhaug 2003; Venable and Rose 2003). The primary focus of these studies has been either on the effects of brand personality or on measurement issues. Less attention has been devoted to the sources of brand personality.

The traditional view is that personality traits become associated with a brand through the people who represent it-such as the typical user of a brand, the company's employees or CEO, and the brand's endorsers. This way to form brand personality is described as the *direct way*, because the personality traits of the people associated with the brand are transferred directly to the brand (McCracken 1989). However, perceptions of brand personality traits have a more diverse origin. They can be formed not only directly but also *indirectly* through product-related attributes, product category associations, brand name, symbol or logo, advertising style, price, and distribution channel (Batra, Lehmann, and Singh 1993). Thus, there are diverse sources of brand personality and the question is how marketers can understand and use them to develop desired personalities for their brands.

The Aaker scale encompasses five different dimensions: Sincerity, Excitement, Competence, Sophistication, and Ruggedness (Aaker 1997). We suggest that these dimensions differ in their nature and are typically formed by different sources. A survey was conducted to test this assumption. A pretest was conducted in order to select appropriate brands for the main study. To qualify for the main study, the selected brands should have high scores on one of the five brand personality dimensions. First, a list of ten well-known brands with presumably high scores on the Sincerity dimension was developed. Ten respondents (undergraduate students) were asked to choose the two brands which in their opinion scored highest on Sincerity. The same procedure was used for brands with presumably high scores on the other four dimensions of brand personality (Excitement, Competence, Sophistication, and Ruggedness). As a result of the pre-test, ten brands were chosen for the main study: Lego and Ikea (Sincerity), Apple and MTV (Excitement), Volvo and IBM (Competence), Rolex and Gucci (Sophistication), Jeep and Harley-Davidson (Ruggedness).

For the main study we generated an extensive list of possible sources of brand personality based on the existing literature (McCracken 1989; Batra, Lehmann, and Singh 1993; Aaker 1997) and our own experience from doing research on brand personality. The list included fourteen different sources: *company's employees, company's managing director, endorser, typical brand user, product attributes, own experience when using the product, product category, brand name, brand logo, advertising style, price, retail stores, country of origin, and company's moral values.*

One hundred thirty-nine undergraduates participated in the main study. First, the concept of brand personality and brand personality scale were explained to the respondents. Then, they were asked to evaluate to which extent the suggested sources of brand personality were relevant for their perception of brand personality characteristics for each brand. A 7-point scale ("7"="Extremely relevant"; "1"="Not at all relevant") was used. After comparing the relevance of different sources of brand personality for every personality dimension we observed the following pattern of results. For Lego and Ikea the most relevant sources of Sincerity were *own experience when using the product* ($M_{exp}$=5.90), *company's moral values* ($M_{mor}$=5.58), and *price* ($M_{pr}$=5.52). For Apple and MTV the most relevant sources of Excitement were *endorser* ($M_{end}$=5.71), *company's employees* ($M_{empl}$=5.58), and *advertising style* ($M_{ad}$=5.41). For Volvo and IBM the most relevant sources of Competence were *company's employees* ($M_{empl}$=5.80), *company's managing director* ($M_{dir}$=5.59), and *product attributes* ($M_{att}$=5.45). For Rolex and Gucci, the most relevant sources of Sophistication were *endorser* ($M_{end}$=6.11), *typical brand user* ($M_{use}$=5.77), *brand name* ($M_{nam}$=5.75) and *logo* ($M_{log}$=5.71). For Jeep and Harley-Davidson, the most relevant sources of Ruggedness were *typical brand user* ($M_{use}$=5.65), *product attributes* ($M_{att}$=5.22), *endorser* ($M_{end}$=5.21), and *logo* ($M_{log}$=5.20). Most of the differences between the relevance of different sources were found statistically significant ($p<0.05$).

The results support our assumption that brand personality dimensions differ in their nature and come from different sources. The most important sources of Competence and Sincerity are company-level sources such as *company's moral values*, *the CEO* and *company employees*. Also, *price* (Sincerity) and *product experiences* play a role.

Sophistication and Ruggedness seem to be formed to a large extent by brand symbols such as *endorsers*, *typical brand users*, *brand name* and *brand logos*. Ruggedness has one more source (product attributes). The rugged nature of brands such as Jeep and Harley-Davidson is partly communicated through their special attributes (high speed, rough design, etc.).

Excitement seems to be formed by a blend of company-level sources (employees), symbols (endorser) and advertising style. It is somewhat surprising that product/service experience is not a more relevant source of Excitement. Apparently, for the two brands included in the study (Apple and MTV) the excitement represented by other people (endorser, employees and people in the ads) is more relevant than our subjects' own personal experience of excitement.

This study of ten brands demonstrated that brand personality dimensions tend to come from different sources. Moreover, we found systematic differences regarding which sources are relevant for building each dimension. The next step will be to test the generalizibility of the results with a larger number of brands and examine the psychological processes behind the observed patterns.

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# Transferring Meaning from Cultural Entities to Brands

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Because of their implications for marketplace success, brand personality and equity are highly important issues for marketing researchers and practitioners. Researchers from varying theoretical backgrounds suggest that brands can gain meaning from the cultural entities—e.g. people, places, images, words, events, and other brands—with which they are associated (e.g., Keller 1993, 2003; McCracken 1986, 1989). However, while this idea is well-accepted, surprisingly little research has investigated how and when meaning transfers from a cultural entity to a brand. In particular, questions remain as to whether meaning transfer depends on the conditions under which the brand is paired with the cultural entity.

Although consumers accept brand meaning, they often actively participate in the negotiation or formation of the meaning for a brand (e.g., Allen, Fournier, and Miller forthcoming). Research on the persuasion knowledge model, attribution theory, and consumer resistance suggests that the transfer of meaning from a cultural entity (CE) to a brand may depend on consumers' inferences of why the CE is paired with the brand (Friedstad and Wright 1994; Holt 2002). If consumers believe that a marketer is pairing a CE and a brand as a commercial tactic, consumers may resist or discount meaning that they feel is inauthentic or forced upon the brand. Hence, meaning transfer may be inhibited if consumers perceive a co-occurrence of brand and cultural entity as commercially "contaminated" (Grayson and Martinec 2004).

This research explores the transfer of meaning associated with a CE to a new brand. Importantly, we also investigate the extent to which the pairing of the CE and the product seems authentic versus commercially-motivated influences the transfer of associations from the CE to the brand. Whereas the research cited above suggests that inferences of commercial intent would inhibit meaning transfer, work on memory suggests that transfer may occur from the pairing, regardless of such inferences.

## Method

This study manipulated the cultural entity paired with a new brand to explore the transfer of meaning. The study also manipulated the implied motivation for the pairing. Since brand personality traits are one facet of a brand's meaning that may readily transfer from a brand's user to the brand itself (Aaker 1997; Keller 1993), we selected two celebrities with distinctive and strongly associated personality traits to be paired with the brand (pretests indicated that Clint Eastwood and Jessica Simpson have relatively low personality overlap, with Eastwood more rugged and tough, and Simpson "ditsy" and young ($p$-values<.001)). We manipulated which celebrity was described as wearing the brand, and the extent to which inferences of motive were activated, and then assessed the extent to which the personality traits originally associated with the celebrity endorser were transferred to the brand.

Students at the University of Colorado (147) were randomly assigned to a 2 (celebrity: Clint Eastwood or Jessica Simpson) x 2 (endorser motivation: genuine interest or paid sponsorship) between subjects design. Participants first completed a study in which they read a series of three brief fashion articles. The second article was one of four versions that contained the celebrity pairing and the endorser motivation manipulations.

Two purportedly independent studies followed: a five-minute distracter task and a "brand personality survey" in which participants rated Slade watches plus three filler brands (counterbalanced) on a series of personality traits. The brands were rated on seven-point, "disagree" and "agree" scales for intelligent, strong, young, sexy, honest, ditsy, dull, tough, exciting, rugged, attractive, foolish, old, and sincere (e.g., Aaker 1997).

## Results

A 2 x 2 ANOVA revealed a main effect of celebrity on the following personality traits: tough, rugged, strong, old, young, and ditsy. Slade watches were seen as significantly tougher ($t$=-4.47, $p$<.0001), more rugged ($t$=-4.70, $p$<.0001), stronger ($t$=-1.91, $p$=.058), older ($t$=-3.10, $p$=.002), less young ($t$=2.59, $p$=.01), and less ditsy ($t$=4.12, $p$<.0001) when participants read about Clint Eastwood wearing the watch versus Jessica Simpson. The endorser motivation manipulation did not have a significant main effect on any of these trait ratings. There was only one significant interaction effect. The effect of celebrity on ratings of "old" interacted with the endorser motivation such that Slade was perceived as significantly older when paired with Clint Eastwood in the genuine interest condition versus the paid sponsorship condition ($t$=2.38, $p$=.02). Other than this one case, the effect of celebrity pairing was not influenced by the endorser motivation, even though a check showed that the manipulation resulted in significantly more inferences of commercial motive in the paid sponsorship than the genuine interest condition.

## Discussion

Our data provides some of the first evidence in a controlled experimental setting showing that meaning transfers from a celebrity to a brand. Interestingly, we did not find evidence that meaning transfer is attenuated when participants infer that a celebrity endorses a brand because of a financial incentive rather than a genuine interest in or liking for the brand. Although there are many possible explanations for a null result, the absence of an effect of the endorser motive is somewhat surprising. Given that our endorser motivation manipulation check succeeded, these results suggest that meaning transfer resulting from pairing a cultural entity to a brand may be fairly robust. At a minimum, the results suggest that even when consumers think about the marketing intent behind a cultural entity-brand pairing, they may learn the presented brand meanings.

Our first experiment documents a main effect of meaning transfer from a cultural entity to a brand. While evidence of an effect is a first step, we propose to investigate the specific processes that mediate and factors that moderate meaning transfer. A better understanding of meaning transfer will help marketers more efficiently construct desired brand identities, consumers better resist undesired marketer influences, and public policy makers formulate more informed decisions concerning marketing practices such as celebrity endorsement, product placement etc. that attempt to create brand meaning through the co-occurrence of cultural entities and brands.

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# The Everyday Practices Surrounding Young People's Food Consumption

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This research explores the everyday food consumption practices that young people adopt in response to mealtime interdependencies at home and at school, and the meanings embedded in these practices. The nuanced meanings of food consumption have been somewhat overlooked in consumer research. The majority of extant studies in this area concentrate on experimental or survey-based approaches to look at regional, ethnic or class-based food attitudes (i.e. Verbeke and Lopez ,2005; Tomlinson,1994), or speciality markets such as organic food consumption (Squires, Juric and Cornwall, 2001), with a view to discovering potential new market segments. A few studies in the Consumer Culture Theory tradition have explored more deeply the symbolism of eating in relation to: the food culture of particular societies or ethnic groups (Ahmad, 1998; Hetzel, 1999); consumer micro-cultures (Thompson and Troester, 2002); and specific consumption events (Wallendorf and Arnould, 1991). However, apart from Hirschman et al. (2004), there has been little research that examines the differing contexts of eating, especially among young people, and how these affect the meanings attached to food consumption.

Given the ever-increasing trends towards obesity in the developed world (Barnwell et al., 2005; Farah and Buzby, 2005), it seems especially important to gain insights into such practices. Research that places more emphasis on phenomenological meanings in contemporary food consumption practices can lead to a better understanding of intergenerational conflicts over mealtime practices, and help unpick the symbolic dynamics that emerge between parents and children; and between children and teachers in institutions of social control (the family and the school).

In light of the structural, sociological transformation of key social institutions such as the family and schools, it seems appropriate to explore the way social relationships, and interdependencies between parents, teachers and young people are re-negotiated over contemporary everyday food consumption practices, especially at mealtimes. The transformation in social institutions also means that social relationships have to be renegotiated because people (young people in particular) have been liberated from traditional roles and constraints, and individuals are removed from status based classes (Beck and Beck-Gernsheim, 2002). We are interested to discover whether the same long-term changes in the structure of societies which Norbert Elias argues in his book, The Civilising Process (1939), brought about changes in manners, in the expression of emotions, and in personality structure (Mennell, 1985), are reflected in the patterning of the everyday practices surrounding young people's food consumption. This still remains an area requiring further investigation.

Whilst anthropologists and sociologists have shown that food consumption that takes place through the family meal, is a core activity in family life (Douglas, 1972; Douglas and Isherwood, 1979; Murcott, 1983, 1997; Charles and Kerr, 1988; De Vault 1991; Warde, 1997), and in particular a meeting point in everyday life (Lupton, 1996), an analysis of the practices through which children and their parents consume is largely absent. So, too, the part played by consumers as individuals and as members of interrelated social groups appears to have been missed in empirical and theoretical accounts of children's consumption (Martens et al, 2004; Martens, 2005).

Participants to the meal occasion *'eat and drink together'*, and *'are by this very act tied to one another by a bond of friendship and mutual obligation'* (Smith, 1889:247 in Mennell et al, 1992:115). If at mealtimes, young people, parents and teachers are *'bound together through interdependence with each other, they have power over each other- sometimes very unequal and one-sided, sometimes rather evenly balanced, usually fluctuating to some extent, and often changing in a definite direction over time* (Mennell, 1985: 16). The very fact that young people, parents and teachers are interdependent with each other implies that they exert forces over each other, forces which shape not just their overt behaviour but their tastes and the way they think about themselves and their activities (cf.Mennell, 1985: 16).

Given this background, we explore the dynamics in parent-child and teacher child relationship, as reflected through the everyday practices surrounding young people's food consumption. What are the everyday food consumption practices that young people adopt in response to mealtime interdependencies at home and at school, what meanings are embedded in these practices, and how are these interdependencies mediated by marketing phenomena?

This study uses an interpretive research strategy. Stage 1 of the research was school-based and gathered data from school children aged between 13 and 17 through observation, semi-structured and in-depth interviews as well as visual diaries. Stage 2 was an observation during family mealtimes; we talked informally with family members. The research followed a theoretical sampling approach for recruiting informants, i.e. a sample that typifies the population, the theoretical category or the phenomenon to be studied and was chosen purposefully with consideration to representativesness (Mason, 2002; Silverman, 2000). In addition, online research was used to sensitise the researchers to the culturally resonant categories (Hirschman et al., 2004). In total the dataset so far consists of 13 personal interviews, 9 online interviews, 23 visual diaries, mealtime observations with 3 families, and 42 days of school-based observations. The data analysis is following the principles for the analysis and interpretation of qualitative data as recommended by Spiggle (1994) and others (Strauss and Corbin, 1998; Arnould and Wallendorf, 1994), and continuing in an iterative fashion across offline and online environments.

A key theme that is emerging at meal times in relation to the meanings created with food consumption is the relationship between formal and informal environments (Warde and Martens, 2000) for food consumption and between parental and teacher control, and how these are mediated by marketing phenomena. Informants described a life world which they energised by the goals of individualism. In response to mealtime interdependencies at home and at school, informants adopt practices such *as 'play-eating', 'eating-in-front-of-the-telly', 'eating-making-a-mess', 'eating-at-any-time'* and *'speed-eating'*. Evident from our field notes, is the successful and collective orchestration of these practices through trickery, mischief, cheating, deception and non-conformity (Willis, 2001). The emergent practices were shared by most informants, regardless of their social or economic status. This is contrary to dominant perspectives in consumer research that centers on the premise that taste classifies and classifies the classifier (Bourdieu, 1984:6), and that consumption is indicative of social categories (Douglas and Isherwood, 1979).

Drawing on our fieldwork, we argue that the emergent practices are not only indicative of intergenerational conflict over food consumption practices and values. Other considerations include, (1) the re-creation of community amongst young people in a world where parents reportedly find work more rewarding than family life (Hochschild, 1997); (2) a search for a relationship of equality rather than one which is asymmetrical and based on authority and inequality; (3) a rebellion by young people against social control exerted by parents and teachers; (4) a form of escape from traditional roles inscribed in the family and the school in search of freedom and independence; (5) a challenge posed by young people to values of traditionalism that some parents and teachers might seek to uphold; (6) an expression of individuality and search for self-identity; and (7) an ongoing opposition to dominant lifestyle norms and formal food consumption practices such as eating round the table and obeying traditional meal-time rituals.

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# Toward a Better Understanding of the Effects of Customer Education on Usage Behavior and Satisfaction

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Despite the growing interest of consumer goods manufacturers for customer education and the recent awareness in marketing literature of this concept (Mittal and Sawhney 2001; Hennig-Thurau et al. 2005), research on customer education remains scarce. This work aims to understand the effects of customer education on the skills level, usage behavior and satisfaction of consumers.

## Conceptual background

*Defining customer education*: Customer education is defined as the companies' investments in improving customer expertise in relation to the goods and services they market (Honebein and Cammarano 2005). It relies on instructional activities, such as face-to-face seminars, implemented to leverage product usage related skills of a company's potential or actual customers.

While early investigations showed that customer education had its place in all phases of the decision-making process (Honebein 1997), attention has recently been given to post-purchase customer education (Hennig-thurau 2000). The main reasons are: the importance given to consumption in value creation (Vargo and Lusch 2004), the increasing complexity of products (Thompson et al. 2005), and the expertise that customers must develop to unlock product value (Hennig-Thurau et al. 2005).

*The post-purchase outcomes of customer education*: At the post-purchase stage, three outcomes of customer education are considered. First, consumers may increase their level of product usage related skills (Hennig-thurau 2000; Shih and Venkatesh 2004). Second, customer education may positively affect the way customers use their product, either by ensuring compliant behavior (Bowman et al. 2004) or by unlocking the product's value (Hennig-Thurau et al. 2005). Finally, an increased ability to use a product can lead customers to express a higher degree of satisfaction (Shih and Venkatesh 2004).

## Hypotheses

No quantitative evidence of customer education outcomes was found in marketing literature. Our main research hypotheses analyze the impact on skills, usage and satisfaction. They also investigate the moderating role of product category expertise.

H1: The more the consumer perceives he has been educated about a product's usage by the product manufacturer, the more he thinks he has increased his skills on this product

H2: The higher the product-category expertise of a consumer, the higher the impact of customer education on the consumer's skills improvement

H3: The more the consumer perceives he has increased his skills, the higher the usage intensity (frequency and variety) of a product

H4: The more the consumer perceives he has increased his skills, the higher the product satisfaction

H5: The higher the product's usage intensity (frequency and variety), the higher the product satisfaction

H6a: The lower the degree of customer expertise, the higher the impact of usage variety on product satisfaction

H6b: The higher the degree of customer expertise, the higher the impact of usage frequency on product satisfaction

## Method

A study was carried out on a sample of 321 consumers who owned a digital camera for about 8 months. Digital cameras are multiple-featured products which induce important learning costs for consumers and require important educational support from companies.

We used the Churchill paradigm (Churchill 1979) to develop an original scale which measures customer education efforts as perceived by the customers. We used self-report measures of skills improvement, usage intensity-frequency and variety according to Ram and Jung's (1990) recommendations -, product category expertise and product satisfaction.

## Findings and discussion

Structural equation modeling was used to validate the model (*GFI*=.968, *AGFI*=.945, *CFI*=.968, *NNFI*=.954, *RMSEA*=.0456). All hypotheses but H5 were supported.

*The importance of skills improvement on customer satisfaction*: Customer education has a significant impact on consumers' skills improvement (H1; $\gamma = 0.201$, p<.005). Skills improvement positively impacts customer satisfaction (H4; $\beta= 0.284$, p<.001). It confirms the suggestion made by Hennig-Thurau et al. (2005) whereby simply being aware of gaining skills reinforces customer satisfaction. Such a result should incite industrials to communicate skills to consumers.

The moderating role of product category expertise on the "customer education–customers skills" equation was also analyzed. Experts differ from novices in the degree, content and organization of their knowledge (Mitchell and Dacin 1996). Thus, we hypothesized (H2) that experts may be more aware of their skills improvement than novices. A multi-group analysis confirmed this moderation effect (novices: $\gamma = 0.078$, p>.005; experts: $\gamma = 0,282$, p<.001).

This finding should incite industrials to segment their customer education initiatives according to the degree of product category expertise.

*The importance of skills improvement on usage intensity*: Skills improvement has a significant effect on product usage intensity (H3; Frequency: $\beta= 0.284$, p<.005; Variety: $\beta= 0.247$, p<.001). Specifically, the more customers are skilled with a product, the more they develop variety-seeking behavior and multiply the number of features they use. As such, customer education represents a consistent way of avoiding the risk of multiple-featured products disadoption (Thompson et al. 2005).

*The absence of direct relationships between product usage intensity and satisfaction*: There is no significant impact of usage intensity on customer satisfaction (H5).

The few studies that exist in marketing literature conclude that results are contingent (Ram and Jung 1990; Shih and Venkatesh 2004). We hypothesized that product category expertise may moderate the relationship between usage intensity and satisfaction. Thompson et al. (2005) show that novices encounter difficulties in adopting the multiple features of a product. Thus, the ability to vary usages could be more of a satisfaction driver for novices (H6a) than for experts. In parallel, the time spent using a product is probably a stronger driver of satisfaction for experts than for novices (H6b). Both H6a (novices: $\beta= 0.169$, p<.005; experts: $\beta= 0.023$, p>.005) and H6b (novices: $\beta= -0.027$, p>.005; experts: $\beta= 0.145$, p<.005) are verified in our study.

Such findings should also lead industrials to define their customer education strategy in relation to product category expertise and usage ability objectives.

**Further research**

We are carrying out complementary studies to consolidate the model of customer education outcomes. The ambition is to define new mediating/moderating personal variables and to show that results are not dependent on a particular product.

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# Cause Related Marketing: Improving People Willingness to Donate by Selling Them a Product

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Cause related marketing (CRM) is a way to link products with socially responsible activities following a strategy, which is directed to strength the emotional image of the product and to increase the market shares (Varadarajan, Menon, 1988). CRM programs allow consumers to buy a product which devolves part of its revenues to a social cause and to integrate the donation into the price of the product. In order to implement a successful CRM program it is relevant to understand how consumers perceive the social cause. Previous research has shown that people has a diminished sensitivity in valuing life saving interventions against a background of increasing numbers of lives (psychophysical numbing, Fatherstanhough,et al., 1997). In addition, Kogut and Ritov (2005) found people less willing to contribute in favor of a group of victim rather than in favor of a single, victim. People seem to perceive a charitable program supporting a great amount of people less emotional and effective than a charitable program which aims to collect money in favor of one identifiable victim.

The aim of the present study is to investigate people's perception of CRM programs in different evaluation modes (joint versus separate). In addition, we seek to assess if different description of the charitable program could influence consumers' choices and their willingness to support a social cause through the purchase of a product.

*Hypothesis 1*: If people are presented with two different CRM programs (joint evaluation) then they should be more willing to choose a product associated with a social project describing the total amount of people needing help rather than a product associated with a cause describing an identifiable victim.
*Hypothesis 2*: If people are presented with only one CRM program (separate evaluation) then they should be willing to pay an amount of money not significantly different for the two products.
*Hypothesis 3*: If people are presented with two different fund raising campaigns (JE) then they should choose significantly more often to donate money toward the campaign describing the total amount of people needing help rather than donating money toward the campaign describing an identifiable victim.
*Hypothesis 4*: If people are presented with only one fund raising campaign (SE) then the should be significantly more willing to donate in favor of the campaign describing an identifiable victim rather than donating money to the campaign describing the group of people needing help.

In the Experiment, 276 (36% males; mean age 22 years) students were asked to either judge CRM programs or fund raising campaigns. A first group of participants was presented with two products (spaghetti and toothpaste) associated with a CRM program they were supporting. A second group of participants was presented with the description of two fund raising campaigns supporting the same campaigns associated to the products in the other condition. The first pair of charity campaigns was in favor of the Ethiopian starving population whereas the second pair of campaigns was in favor of the medical research. In joint evaluation, participants were presented with two different description of the same social cause: one was described as a program aiming to help the group of people needing help whereas the other was described as a program aiming to support a single identifiable victim. In separate evaluation people were presented with either one or the other campaign. In JE participants were asked either to choose the product they prefer to buy or the campaign they prefer to support. In SE participants were asked to indicate either their willingness to pay for each product or their willingness to donate to each fund raising campaign.

In JE condition, participants chose significantly more often the product associated with the social cause describing the total amount of people needing help rather than the product associated with the social cause describing the single identifiable victim: respectively, $\chi^2$ (1, 27)=13.37; $p$<.01 for the toothpaste and $\chi^2$ (1, 39)=16.03; $p$<.01 for the spaghetti. On the other hand, no significant differences have been found in SE condition.

Participants in the "fund rising campaign condition" chose significantly more often the campaign describing the amount of people needing help rather than the campaign describing the identifiable (respectively $\chi^2$ (1, 25)=23.12; $p$<.01 for the campaign in favor of the Ethiopian starving population and $\chi^2$ (1, 25)=20.48; $p$<.01 for the campaign in favor of medical research). However, in SE participants were willing to donate less to the campaigns describing the total amount of people in need (M=?39.63; M= ?40.28) rather than to the other format of the same campaigns (M=?60.73; M=?68.46). Respectively $t$ (67)=1.95; $p$=.05 for the campaigns against starvation and $t$ (65)=2.49; $p$<.02 for the campaigns supporting medical research.

In the present study, we investigated if people willingness to support a charitable project was less influenced by the identified victim effect when individuals are presented with a CRM program rather than being asked to donate money. The results of the present study showed that people have not a reduced diminished sensitivity in valuing the number of lives saved when they evaluate or choose among products devolving part of their revenues to a social cause. These results seem to suggest that CRM programs should induce people to focus on the product they are buying therefore reducing the role of their affective reactions toward the social cause and the victims needing help. On the other hand in the "fund raising campaigns" condition result showed that participants were more prone to the psychophysical numbing effect.

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# Who Has Mixed Feelings About Consumption? Self-Monitoring and the Antecedents of Attitude Ambivalence

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Social psychologists have shown a recurring interest for the study of attitude ambivalence (Crano and Prislin 2006). Consumer researchers have also investigated the effect of attitude ambivalence in wedding purchases (Otnes, Lowrey, and Shrum 1997), blood donation (Jewell 2003), fashion (Thompson and Haytko 1997), technological products (Priester, Petty, and Park 2007) and advertising response (Williams and Aaker 2002). Importantly, ambivalent attitudes lead to less predictable consumer judgments and behaviors than non-ambivalent attitudes (Armitage and Conner 2000; Conner et al. 2002). Therefore, understanding the formation of ambivalent attitudes is a significant research issue (Priester and Petty 1996, 2001).

Subjective attitudinal ambivalence is the "individual feelings of conflict that a person experiences when an attitude object is considered" (Priester and Petty 1996, p. 432). The main antecedents of subjective attitudinal ambivalence are intrapersonal and interpersonal discrepancy vis-à-vis the object (Priester and Petty 1996, 2001). Intrapersonal discrepancy reflects the simultaneous presence of negative and positive thoughts about the attitude object, while interpersonal discrepancy refers to the perceived differences between one's own thoughts/feelings and the thoughts/feelings of other people about the attitude object.

Priester and Petty (2001) provide compelling evidence that interpersonal discrepancy contributes to attitudinal ambivalence, over and above the effect attributable to intrapersonal discrepancy. The effect of intrapersonal discrepancy on attitudinal ambivalence is moderated by an individual's preference for consistency (Newby-Clark et al. 2002) which provides evidence that individual differences may moderate the weight of intra/interpersonal discrepancy in the formation of attitudinal ambivalence.

We propose that the relationship between interpersonal discrepancy and subjective attitudinal ambivalence should be moderated by an important individual trait–self-monitoring. According to self-monitoring theory, the behavior of *low self-monitors* is guided more by inner beliefs and attitudes while *high self-monitors* tend to adapt their appearance and acts to the specificities of social situations. Attitudes serve a mostly social-adjustive function for high self-monitors, whereas attitudes serve mostly value-expressive functions for low self-monitors (DeBono 2000, 2006). Therefore, high self-monitors may construe attitudes on the basis of social interaction more than low self-monitors. We propose to apply this reasoning to the formation of subjective attitudinal ambivalence with respect to consumption objects. If high self-monitors are more attuned to social cues than low self-monitors, then they should also be more attentive to potential divergences between their own attitudes and others' attitudes. We therefore hypothesize that interpersonal discrepancy should contribute more to attitudinal ambivalence for high self-monitors than for low self-monitors.

Ninety-seven students participated in exchange for credit in an undergraduate course. Five attitude consumption topics (objects) were used from the lists in Priester and Petty (2001): Working out, watching television, eating junk food, eating vegetables, and drinking alcohol. All participants reported their positive/negative personal reactions, their subjective ambivalence, their own attitudes, their parent's attitudes, and their responses to the self-monitoring measure.

Participants completed a scale assessing the degree to which they felt conflict, indecision, or mixed reactions to each of the consumption objects. Participants answered three items anchored from 0 to 10 (feel no conflict at all/feel maximum conflict; no indecision at all/maximum indecision; completely one-sided reactions/completely mixed reactions, a = .82). Subjective attitudinal ambivalence was measured as the average of these items. Intrapersonal ambivalence was calculated with the Gradual Threshold Model of Ambivalence (see Priester and Petty 1996).

Participants also completed an 18-item self-monitoring scale (Snyder and Gangestad 1986). All items were assessed on seven-point scales, ranging from 1 (strongly disagree) to 7 (strongly agree). The self-monitoring score is a sum of the 18 items ($\alpha = .74$).

Finally, we created dummy variables for each consumption object. These dummy variables are included (except for one object serving as reference level) in the multiple regressions reported below. This controls for the propensity of different products to generate different levels of conflict, indecision or mixed reactions.

We used multiple linear regressions with interactions following Aiken and West's methods (1991) to analyze the data. To test the moderating role of self-monitoring on the link between interpersonal discrepancy and attitude ambivalence, we ran a multiple regression analysis using intrapersonal discrepancy, interpersonal discrepancy, the dummy coded object variables, an intrapersonal x interpersonal discrepancy interaction term, the self-monitoring score, a self-monitoring x interpersonal discrepancy interaction term as independent variables and subjective ambivalence as the dependent measure. The results of the regression revealed four significant effects: interpersonal discrepancy, $t(473)=4.03$, $p<.001$, intrapersonal discrepancy, $t(473)=6.17$, $p<.001$, self monitoring, $t(473)=1.97$, $p<.05$, and the self-monitoring x interpersonal discrepancy interaction, $t(473)=2.00$, $p<.05$. The significance of this latter interaction indeed indicates that, with respect to consumption objects, high self-monitors feel more subjective ambivalence as their degree of interpersonal discrepancy increases compared to low self-monitors.

Our first study shows that the relationship between interpersonal discrepancy and subjective ambivalence is moderated by a consumer's tendency to self-monitor. The interpersonal discrepancy antecedent is more important to high self-monitors than to low self-monitors. Prior research has shown that preference for consistency moderates the effect of intrapersonal discrepancy on subjective attitudinal ambivalence (Newby-Clark et al. 2002). Our first study provides evidence that individual differences also matter with respect to the role of interpersonal discrepancy in subjective attitudinal ambivalence.

Priester and Petty (2001) found that whether the important other was liked or disliked affected the impact of interpersonal discrepancy on the resulting subjective ambivalence. An increase in interpersonal discrepancy heightened subjective ambivalence only when the important other was liked. It is possible that not only will high self monitors show increases in subjective ambivalence in the *presence* of interpersonal discrepancy with *liked* others, but they may also show increases in subjective ambivalence when there is an *absence* of interpersonal discrepancy with *disliked* others. A plausible rationale for this proposition is that high self-monitors are more attuned to social status and hierarchy than low self-monitors (Gangestad and Snyder 2000). For this reason, when forming attitudes and judgments, high self-monitors may care not so much about their own liking/disliking of the other person as about the other person's low/high social status. We are currently conducting an experiment to investigate this proposition.

Overall, this research offers guidance for promising new research directions, with the long-term perspective of constructing a comprehensive framework of the formation of attitudinal ambivalence towards products, services, and brands.

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# The Dynamic Nature of Customers' Criteria for Assessing Customer Value: A Longitudinal Investigation

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Organizations are continuously searching for new ways to obtain and defend competitive advantage in order to survive and prosper in the increasingly competitive market. Recently, literature has suggested a switch from product quality to customer value as the next source of competitive advantage (Lai 1995; Woodruff 1997).

Customer value has been defined as "a customer's perceived preference for and evaluation of those product attributes, attribute performances and consequences arising from use that facilitate (or block) achieving the customer's goals and purposes in use situations" (Woodruff 1997). Customers thus assess customer value on the basis of their means-end type structure of criteria (Woodruff 1997; Woodruff and Gardial 1996). According to means-end theory consumers' criteria or beliefs about product attributes (the means) are linked to beliefs about the benefits derived from these attributes (consequences), which in turn are linked to beliefs about the values (ends) served by these benefits (Gutman 1982). For any single product a consumer may hold many chains of beliefs resulting in a hierarchical (means-end) structure of beliefs (Gutman 1982; Overby, Gardial, and Woodruff 2004).

Although claimed as dynamic (Parasuraman 1997; Woodruff 1997), customers' criteria for assessing customer value have essentially been treated as stable as research on the concept has focused on the consequences of the gap between desired (pre-purchase) and received

(post-purchase) customer value for consumer satisfaction (Parasuraman 1997; Spreng, MacKenzie, and Olshavsky 1996; Woodruff 1997). However, research on pre- and post-purchase evaluations has indicated that these are not based on the same beliefs or criteria (Gardial et al. 1994).

The dynamic nature of customer value criteria seems especially important for relationship marketing. Gaining more specific knowledge on how customers' criteria structures develop during their relationship with the organization is not only beneficial to customer value theory and measurement, but also essential for marketers looking for a better understanding of their customers' loyalty / defection decisions (Parasuraman 1997). The dynamic is likely to be most pronounced for services as they are inherently higher on experiential properties (Ostrom and Iacobucci 1995), which makes consumers even more dependent on their experiences with the service to develop their structure of criteria for assessing customer value.

This study analyzes the changes that occur in customers' criteria structures for assessing customer value during their patronage of a service provider. Generally, it is thought that evaluation criteria become increasingly abstract as first time customers become long-term clients (Parasuraman 1997). A thought that finds some indirect support in findings that consumers use more abstract criteria for product evaluations after purchase than for product evaluations before purchase (Gardial et al. 1994). The current study investigates this thought by testing whether the number of consequence and value criteria in a customer's means-end belief structure increases over the duration of the customer-provider relation.

The service chosen as context for this study is university education as it is relatively rich in experience properties (Ha 1998). It is also a service for which consumers are highly involved in purchasing it, which facilitates value retrieval during laddering (Pieters, Baumgartner, and Allen 1995). Furthermore, the high frequency with which they experience the service during their patronage of the university provides university customers (students) with relatively many opportunities to develop their criteria structure.

In the study the developments in students' means-end beliefs structures are monitored longitudinally. From $T_0$ in the beginning of the current fall semester to $T_1$ in the end of the spring semester first, second and third year undergraduate students of two universities in two countries will receive two Association Pattern Technique (APT) questionnaires (Hofstede et al. 1998). These measure their means-end structures of criteria for choosing a university. In APT questionnaires, respondents are presented with all possible attribute-consequence (AC) and consequence-value (CV) combinations. In the questionnaire they are asked to indicate for every attribute (consequence) the consequences (values) to which it in their opinion is linked (Hofstede et al. 1998). Input for the attributes, consequences and values used in the APT questionnaires is gathered by conducting 60 laddering interviews with students of the two universities. In these laddering interviews salient attributes for choosing a university are elicited from respondents. These are subsequently used as starting point for the actual laddering, which entails probing the respondents with "why is that important to you" questions in order to elicit the more abstract consequences and values linked to the attribute (Reynolds and Gutman 1988). The raw data from these interviews is subsequently content analyzed and categorized, after which it can be used in the APT questionnaire.

In addition to being asked to make AC and CV linkages in the APT questionnaire, respondents are also asked to indicate the importance of the attributes, consequences and values on a 7-point scale ranging from very unimportant to very important. This allows for monitoring not only developments in the number of criteria on all levels of abstractness, but also developments in the relative importance of these criteria. Several control questions will also be added to the survey, including one to determine whether the respondent is the actual purchase decision maker.

Preliminary comparisons of the means-end criteria structures obtained from the laddering interviews indeed indicate a higher number of consequence and value criteria in the structures of graduate students than in those of undergraduate students. This suggests that consumers make use of increasingly abstract value criteria as their relation with the service provider continues. Consumers' loyalty / defection behavior is dependent on their value evaluations. So as the relationship between customer and service provider continues, the loyalty of customers should increasingly depend on the more abstract benefits and values offered by the service.

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# The Incremental Utility of Adding New Functionalities to Products: The Role of Goal Congruence and Perceived Brand Quality

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Recent convergence in the electronics and telecommunications industry has allowed for the introduction of new functionalities into existing products (e.g., Cell Phones with camera, mobile TV, etc.). The current research investigates the incremental utility of adding different types of functionalities to products (e.g., adding Satellite radio versus GPS system to an MP3 music player). It is proposed that two factors–goal congruence and perceived brand quality–affect the relative utility of the new functionality added to a product. *Goal congruence* refers to the extent to which the added functionality is congruent with the base product (i.e., associated with the same goal), and perceived brand quality is related to the brand introducing the product. The effects of these two factors are investigated in an experimental study using hypothetical new products (with added functionalities) as stimuli.

Prior research on product adoption suggests that the impact of a new feature is influenced by two factors: (1) the "value" or benefits accrued by adding new features; and (2) the "performance uncertainty" associated with the added feature (Gatignon and Robertson 1993). Using the principle of diminishing utility, Nowlis and Simonson (1996) showed that high quality brands are expected to gain less than the low quality ones from the addition of a new feature. This is because, when a new (positive) feature is added to a high quality brand, it is assimilated into the overall positive evaluation of the product and the incremental gain for the brand may not be significant. On the other hand, for a low quality brand, the addition of the new (positive) feature contrasts with the otherwise inferior product and therefore contributes more significantly to the overall evaluation of the brand. This research, however, assumes that the value accrued by adding new features is the major determinant of brand evaluations and that consumers may or may not consider the performance uncertainty of the added feature. Moreover, it also does not distinguish between the different types of added features. We argue that both performance uncertainty and the characteristics of the added feature are important in the context of adding a new functionality to a product. For example, consumers may have concerns about the reception and picture quality in the case of watching TV on a Cell Phone. In such cases, the high quality brand may gain more than the low quality one as it can help reduce the performance uncertainty associated with the added functionality. Also, the type of added functionality (e.g., adding mobile TV versus e-mail to a Cell Phone) may have a differential impact on whether the added functionality is assimilated or contrasted with the base (low or high quality) brand.

We propose that the goal congruence between the added functionality and the base product would moderate the relative gain for low and high quality brands. While most added functionalities may originate from distinct product categories, they may or may not be associated with the same consumption goals as the base product (wherein, "goals" are defined as abstract benefits sought by consumers, as per Huffman and Houston 1993). For instance, adding e-mail capability to a Cell Phone combines a new functionality with the same underlying goal as the base product (i.e., the goal of "communication"), whereas adding the ability to watch TV on a Cell Phone combines a functionality associated with a different (incongruent) consumption goal (of "entertainment"). We propose that when a functionality with congruent goals is added to a product, the principle of diminishing utility of added value would be operative, and accordingly low quality brands would gain more than high quality brands (H1). On the other hand, when a functionality with incongruent goals is added to a product, the role of performance uncertainty would become more important. For instance, consumers might perceive that since the added functionality is contrasted from the base and is now to operate on a new interface (e.g., watching TV on a Cell Phone), it implies new tasks (Glazer 1999) and more possibilities for failure (Ziamou and Ratneshwar 2002). In such cases, high quality brands could serve as a strong signal for performance quality and can reduce the high performance uncertainty associated with the incongruent functionalities. Thus, we propose that when functionalities with incongruent goals are added to a product, high quality brands would gain more than low quality ones (H2).

The above-proposed effects were tested in an experimental study using two hypothetical new products as stimuli, which each had either a congruent or an incongruent functionality added to a base product. The base product used in the study was an MP3 music player and the added functionality was either a Satellite Radio (congruent goal) or a GPS system for getting directions (an incongruent goal). In a 3 (added functionality: none, congruent, incongruent) X 2 (brand quality: high, low) experimental design, participants compared two brands of the base product and indicated the price that would make the two brands of equal value. The incremental utility to each brand was measured by comparing the congruent and the incongruent conditions with the control group (with no functionality added). As predicted in H1, it was found that a low quality brand gained more than a high quality one when a congruent functionality was added to the base product (a gain of $64 vs. -$12, respectively, for *MP3 + Radio*; $t_{50}$=3.02; p<.01). However, when an incongruent functionality was added, both low and high quality brands gained equally (a gain of $27 vs. -$2, respectively, for *MP3 + GPS*; $t_{56}$=0.98; p=.33). As a corollary, the low quality brand gained more when a congruent functionality was added as compared to an incongruent one, while the high quality brand gained equally in both cases. These findings have implications for brands introducing new products with added functionalities, which have become increasingly common in the context of convergence in the consumer electronics industry.

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# Developing a Better Understanding of Co-Creation: Consumers' Motivations to Create and the Underlying Processes

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With the help of internet technology, companies are allowing consumers to co-create their products by specifying colors, designs, and features. In doing so, companies are outsourcing the design task while providing a product better suited to the consumer's needs. Empirical studies on the practice of co-creation and mass customization, however, are scarce (Franke and Piller 2003). The articles that have been published largely deal with the technical aspects for the manufacturer rather than with the experience and value created for the consumer (for an exception, see Franke and Pillar 2004). The purpose of this research is to understand the factors that 1) motivate consumers to engage in co-creation and 2) influence their experience and product satisfaction.

While facilitating a strong match between a consumer's idiosyncratic preferences and a new product, mass customization also has its potential limitations. The infinitely large solution space created by the number of options could drive up the cognitive costs of the decision process, overwhelming the expected value generated by the option of an individualized product (Zipkin 2001). Satisfaction with the customized choice may also be diminished as a result of the overwhelming size of the choice set (Iyengar and Lepper 2000).

To date, we are unaware of any experimental studies designed to identify 1) the factors motivating the co-creation process and 2) the specific processes underlying the value creation that results from it. Thus, we designed and ran an experiment. In this study, all participants were presented with a color picture of a standard L.L. Bean backpack and reported their preferences for it. They were then given 1) the opportunity to customize its design by picking colors from a palate and 2) the chance to enter a lottery to win either the standard backpack or their customized version. If the customizing option was selected, preferences for the customized backpack were also collected. Three factors were manipulated between-subjects yielding a 2x2x2 design:

1) *Creativity prime: present vs. absent*: This manipulation primed creativity goals using an ostensibly unrelated task. Participants receiving the prime were hypothesized to customize the backpack more frequently than those receiving no prime and were expected to report higher preferences for their backpacks if they did customize.

2) *Standard backpack designer: professional vs. amateur*: Participants were shown the picture of the standard backpack along with one of two manipulations. In the professional condition, the text indicated that the marketing department picked the color combinations for the backpack. In the amateur condition, the text indicated that the color combination was the winning result of a consumer contest. It was expected that those in the amateur designer condition would be more likely to customize the backpack than those in the professional condition. This manipulation was also expected to influence preferences for the customized backpack since it manipulated beliefs about the reference backpack.

3) *Customization instructions: present vs. absent*: Participants were offered the chance to customize the color and design of the standard backpack. If they chose to customize, they were asked to explain their reasons and then they received the third manipulation (customization instructions: present vs. absent). It was hypothesized that this manipulation would influence participants' propensity to enter the lottery and their satisfaction with their own backpack. Once they completed their designs, participants provided their preferences for the customized backpack.

## Results

A three-way ANOVA revealed a main effect of designer ($F_{1, 172}$=5.58, p<.01) such that participants told the standard backpack was designed by another consumer reported higher preferences for their own customized pack than did those told it was designed by L.L. Bean's marketing staff (39.2 vs. 36.5). The ANOVA also revealed a three-way interaction ($F_{1, 172}$=5.02, p<.05).

Chi-squared tests were used to determine the influence of the manipulated factors on participants' decision to enter into the lottery. The creativity prime significantly increased participation in the lottery ($\chi^2$=7.8, p<.01), but neither the designer or guide manipulations had an effect. This study provides encouraging and interesting results, but a series of follow-up experiments is planned to better understand the findings.

## Study 2

Why would the designer of the standard backpack (professional vs. other customer) influence one's own preferences for the self-designed pack? Open-ended protocols collected in Study 1 suggest a possible explanation (e.g., the customer-designed backpack encouraged competition: "If s/he can do it, I can do it better"). To determine whether such competitiveness was responsible for the effect, Study 2 would manipulate the salience of competition. In one condition, participants will be told that their customized pack would be

entered into a similar contest; in another condition, participants will be told that there is no competition. Thus, this experiment will be a 2 (designer: professional vs. amateur) by 2 (competition: present vs. absent) between-participants design.

### Study 3

Open-ended responses from Study 1 demonstrate that direct involvement in the creation process is an important aspect of designing a product. This study is designed to examine whether consumers will still feel a part of the process if there is an intermediary involved. Further, it will test to see whether the amount of material inputs (and thus decision options) moderates the influence of that intermediary. The design is a 2 (design intermediary: yes vs. no) by 3 (number of available materials: low vs. medium vs. high). One possible focal task is the design and construction of a necklace. Participants would either construct the necklace on their own or give step-by-step instructions to the experimenter (allowing for changes along the way). The materials would be manipulated by varying the number of beads provided (low, medium, high).

Participants would report their own satisfaction with the process and the outcome as well as provide measures of the potential sources of value. The influence of the manipulations on those judgments would be tested. Further, pictures of the final products would be taken and would be evaluated by a set of target consumers. Self-valuations would be compared to the target consumers' valuations, and the sources of value would be tested as potential mediators of any differences.

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# Formation of Consideration Set and Consumer Decision-Making Process under Brand Extension Signal

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### Abstract

This research aims to understand consumers' decision-making process under brand extension strategy which might work as signals in the marketplace. The proposed model utilises a consideration set theory working as the core element of the decision-making process in providing a better understanding of the impact of brand-related activities. More specifically, the proposed model combines perceived quality and perceived risk simultaneously to generate inclusion probability of consideration sets by utilising a Bayesian manner utility maximum model with dynamic structure.

### Conceptualisation

Traditionally, consumers' purchasing behaviour was thought to be determined by a decision-making process which consists of need-arousal, information retrieval from memory, external search, and brand evaluation and choice (Bettman 1979; Howard 1989). This one-stage process, however, neglects the limitation of human beings' memory and computational capabilities (Simon 1955), and the crowded and competitive marketplace that today's consumers face (Paulssen and Bagozzi 2005). Consideration set, which can be created based on evoke set (Howard 1963), can factor in these various aspects, and can be used to determine consumers' purchasing decisions more accurately (Mehta, Rajiv, and Srinivasan 2003).

Since consideration set is based on brand selection theory (for example, Hauser and Wernerfelt 1990; Wright and Barbour 1977), extensive research in this area focus on a brand's impact toward the decision-making process (for example, Erdem and Swait 2004; Erdem, Swait, and Valenzuela 2006; Paulssen and Bagozzi 2005). Some of them borrowed ideas from economics of information theory to estimate the effect of inclusion probability in the consideration set of a certain brand (Mehta et al. 2003, for example). Other researchers adopted the signalling theory to approximate how brand strategy affects consumers' subjective knowledge and further influences their consideration set formation (for example, Heaney and Goldsmith 1999; Urbany, Dickson, and Wilkie 1989; Victor V 1997). Both streams of the consideration set formation model partially explain the process of decision making, but they fail to illustrate the process from both receiving (i.e., the signalling theory) and screening (i.e., the information search theory) aspects. The proposed research, therefore, aims to improve the existing models by considering the effects of brand extension from both directions of information flow.

### Methods

The proposed model is based on a revealed consideration set since the data will not contain consumers' actual consideration set information, but only their purchasing time points and their previous choice information. The proposed model is based on two existing models: Mehta, Rajiv, and Srinivasan's (2003) *consumer search model* and Erdem and Keane's (1996) *forward looking dynamic structure*.

In the model by Mehta et al. (2003), a Bayesian manner utility maximum model is introduced and price as an uncertainty factor is carefully examined. More importantly, they employed the Monte Carlo simulation method to obtain perceived quality data which resolved the problem of unobservable factors. However, their model considered price as the only uncertainty/risk that the consumer faces and

assumed that risk can only be presented by price, thus neglecting possible signalling outside consumers' subjective knowledge to affect consumers' perceived risk. Thus, in this research, the proposed model will also consider an improved risk factor within the utility framework to replace the over-emphasised price uncertainty.

Erdem and Keane's (1996) model gives a more comprehensive explanation of decision making and contains price, risk (perceived risk), attributes of products (perceived quality), and signalling factors. Although it provides a good starting point as a decision-making model, unfortunately they did not regard the process as a two-stage decision process which can view the consideration set as an essential latent process. In the proposed model, this problem can be resolved since the entire structure of the model is based on the two-stage decision process.

Another main contribution of Erdem and Keane's model is that it considers the current decision for future reference, which is also referred to as a forward-looking structure. Since consumers do sometimes try some products in order to gain experience for their future decisions, the proposed model will also utilise the forward-looking concept in formulating a final choice process.

### Data Collection and Analysis

Two sets of data will be employed for this research. One is based on ERIM data which include supermarket purchasing data for five different categories. Another set of data is from Hewlett-Packard, which will include not only revealed data but stated data for comparison.

### Summary

The proposed research will provide a more sophisticated way of investigating consumers' purchasing behaviour while firms employ brand extension strategies. From a managerial perspective, this model can be used as an important tool for investigating consumers' possible reaction toward a brand strategy.

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# Effects of Spatial Location of Price Information on Consumers' Perception of Prices and Products

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Often time, retailers' advertisements place price information in the proximity of the advertised products. Past research suggests that the relationship between numerical information and its spatial representation is deeply rooted in the brain's organization for these capacities (Dehaene 1997**;** Thomas and Morwitz 2005). The simplest demonstration of such relationship is research showing that responses to larger numbers are quicker when responses are made on the right side of space, whereas responses to smaller numbers are quicker when the responses are made on the left (Hubbard et al. 2005). Despite the obvious implication of such phenomena in the marketing context, the marketing literature has not yet researched the issue of how the location of prices to the left or the right side of an advertised product influences the processing of price information and consequently the evaluation of the product. Based on past research on the effects of hemispheric lateralization and arousal on information processing this research develops predictions about the effects of the location of price information on product evaluation. The conceptualization leads to the following hypotheses:

H1: For highly motivated consumers, low (high) price information presented in the right visual field will be associated with a lower (higher) perceptions of sacrifice and higher (lower) perceptions of quality and value than when it is presented in the left visual field.

H2: For consumers who are less motivated, low (high) price information presented in the right visual field will be associated with a higher (lower) perceptions of sacrifice a lower (higher) perceptions of quality and value than when it is presented in the left visual field.

Past research has also argued that price information is more accurately recognized than recalled (Monroe and Lee 2000). Krugman (1977) showed that right brain processes facilitate recognition, whereas recall requires the involvement of the left-brain processes. Consequently:

H3a: Price information presented on the right visual field will be recalled more accurately than when the same information is presented in the left visual field.

H3b: Brand information presented on the right visual field will be recalled less accurately than when the same information is presented in the left visual field.

**Methodology**

An exploratory study examined the placement of prices in relation to products advertised in advertising inserts in weekend newspapers for four weekends (n =750 price points). Three additional studies measured reaction times (n=20), recall accuracy (n=32) and the evaluation of the dependent measures for stimuli manipulated in a 2 (price: high and low) X 2 (motivation: low versus high) X 2 (visual field: left vs. right) between subjects design (n=128).

Results show that competing retailers use different price presentations in their weekly advertising inserts with value oriented retailers more likely to present prices in the right visual field than competing retailers ($F_{(1, 741)}$=18.90, p<.001, $\rho$=.41). As expected though there was no difference in the perceptions of sacrifice (p>.20), the reaction times were significantly higher when price information was presented in the left visual fields with the lowest reaction times being achieved by price information presented in the top right visual field ($F_{(1, 36)}$=3.82, p<.05, $\rho$=.31) . Consistent with H3 the price recall was more accurate when price information was located in the right visual field ($\chi^2$=2.93, p<.05) while the brand information was more accurately recalled ($\chi^2$=6.31, p<.05) when it was located in the left visual field. The results from the fourth study (Manova interaction: Pillai's . $F_{(3, 118)}$=3.56, p<.05, $\rho$=.29) showed that the perceptions of quality and value were higher for the lower price cue when it was in the right visual field and the participants were motivated or in the left visual field when the participants had low motivation to process information. Opposite results were observed for the high price cue.

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# Information Sort and Consumers' Evaluation of Prices

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Many online retailers provide customers with information filtering tools that enable them to sort products by brand name or price. While research has studied factors underlying information search online (Lynch and Ariely, 2000), the effect of such filtering approaches on consumers' processing of information has not received much attention. Some questions that arise are: Does sorting of information on competitive products by either price or by brand name influence the information processing on a focal product? Does such a filtering approach improve or hinder the evaluation for a relatively high or a low priced focal product? We investigate these issues using previous research regarding consumers' reliance on covariation beliefs.

**Conceptual Framework**

A covariation belief such as "you get what you pay for" is often used by consumers (Monroe, 2003). Several studies have shown that people have a tendency to rely on such covariation beliefs rather than on the objective data (Baumgartner, 1995; Pechmann and Ratneshwar, 1992), which may lead to quicker but less accurate judgments (e.g., Broniarczyk and Alba, 1994). Alloy and Tabachnik (1984) pointed out that people rely on prior beliefs about covariation only when situational factors impede their use of data driven judgments. Similarly, it is argued that as the diagnosticity of the data increases, encoding of information is easier and consumer reliance on past covariation beliefs is reduced (Pechmann and Ratneshwar 1992).

Both price and brand name are extrinsic cues that consumers use to infer a product's quality, but consumers integrate inferences of quality with perceptions of monetary sacrifice associated with a product's price to arrive at conclusions about the value of a product (Monroe, 2003). Thus brand name might guide perceptions of quality but the dual role of price in assessing sacrifice and quality will make price information more diagnostic to consumers (see also Maheswaran, Mackie, and Chaiken, 1992). Since the ability to evaluate non-diagnostic sequences requires substantial attentional components of working memory (Baddeley, 2000), sorting of information by brand is likely to strain consumers' ability to process information, while a price sort consistent with memory for prices may be less burdensome.

Based on process theories on attitude formation and change (Chaiken et al. 1989) it is predicted that when there is low motivation to process information consumers will use heuristic processing that takes less effort and capacity. On the other hand, when there is high motivation to process information and the competitive information is sorted by price, it is expected that systematic processing will occur. However, when information is sorted by brand names consumers may resort to heuristic processing despite a high motivation to process.

## Method

Undergraduate students participated in a between-subjects experimental design: 2 (motivation to process: low vs. high) x 2 (price of focal product: low vs. high) x 2 (information sort: price vs. brand name). The focal product was a DVD player which was described along with its price and the participants were given the description of this product along with a booklet containing sorted information (either by price or brand name) on additional products. The dependent variables included measures for perceptions of sacrifice, quality and value.

## Results and Conclusion

The results supported the hypothesized interaction between motivation to process information and sorting of information on the evaluation of high and low priced target products. As expected, the perceptions of quality and sacrifice mediated the effects of the independent variables on perceived value. The results suggest that sorting of product information by brand name (vs. price) resulted in an increased reliance on price-quality heuristics when evaluating a product. These results are consistent with Pechmann and Ratneshwar's (1992) finding that when information is not diagnostic, consumers rely more on the heuristics to assess the given data. However, the results from the current study also point the important role played by consumers' motivation to process information, as in the low motivation condition, neither the brand name sort nor the price sort influenced the use of product information.

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# Discounting Pleasure? Lay Intuitions about the Value of Deferred Hedonic Experience

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Lay beliefs have been shown to affect consumer judgments and behavior in a number of domains (e.g. Ross and Nisbett 1991). This research explores the role of discounting as another lay belief that people use to evaluate hedonic consumption at different temporal distances. Given familiarity with financial markets (e.g. interest rates), individuals generally believe that money in the future is worth less than money in the present. Indeed, research has shown that individuals discount the monetary value of consumption that is temporally distant (Ainslie 1975). Over time, this may become a well-learned lay belief or rule (Amir and Ariely 2007) that generalizes across situations (Hsee et al. 2003) and is invoked and applied in situations involving monetary considerations. Accordingly, we propose that when evaluating consumption in terms of money, people consistently discount delayed consumption irrespective of its temporal framing.

However, monetary considerations are not the only means that individuals use to evaluate consumption (e.g. Soman 2004). Consumption may also be evaluated in terms of predicted enjoyment. This is a relatively unquantifiable measure of value, where such rules are less likely to be invoked (Amir and Ariely 2007). In this case, we hypothesize that individuals may not positively discount delayed consumption across the board. Instead, judgments of predicted utility may be based on how the consumption is construed. We study two

specific temporal framings– "forward" sequences (i.e., evaluations of immediate consumption elicited before delayed) and "backward" sequences (i.e., delayed consumption evaluated first). According to temporal construal theory (Liberman and Trope 1998), people may have different initial construals of these sequences. Based on the assumption of 'blocking' (Feldman and Lynch 1988), these initial construals may influence subsequent decision processes. We predict that in backward sequences, as per construal level theory (Trope and Liberman 2003) individuals focus on desirability when evaluating delayed consumption. This increases the salience of desirability considerations, which carries over to their subsequent assessment of the immediate consumption. The increased salience of desirability considerations makes the immediate consumption more attractive, since the consumption is hedonic to begin with. As a result, the immediate consumption is judged to be more positive than the delayed consumption, consistent with the standard discounting effect. In contrast, in forward sequences, individuals focus on feasibility when evaluating immediate consumption. Later, when they evaluate delayed consumption, they again focus on feasibility considerations. This increases the attractiveness of the delayed consumption, since constraints and effort requirements are often underweighted when they are in the distant future (Soman 1998). Hence delayed consumption is judged more favorably than immediate consumption, resulting in negative discounting.

In this research, we test these predictions in three studies. In experiment 1, we manipulate the temporal framing of the consumption episodes in terms of the order in which they were evaluated (i.e., forward versus backward sequences). Participants were told to imagine that they would enjoy a delicious dinner in a fancy restaurant, either tomorrow or one month later, and were asked to evaluate the consumption. They were then asked to evaluate the consumption assuming it was instead one month later (or tomorrow). The order of sequences was counterbalanced. Further, some participants made their evaluations in terms of willingness to pay (i.e., a monetary metric), while others predicted their enjoyment ratings. Results showed that given the monetary metric, participants consistently discounted the delayed consumption in a manner consistent with discounting theory, regardless of whether they first considered the immediate or the delayed consumption. A different pattern of results was observed when the evaluations were made in terms of enjoyment ratings. Here participants discounted the delayed consumption only in the backward sequence, if they first evaluated the delayed dinner. In contrast, when the immediate dinner was evaluated first, the delayed consumption was evaluated more positively than the immediate consumption, thereby showing negative discounting.

Experiment 2 had two aims. The first was to show that lay beliefs in discounting are applied consistently across monetary assessments, and the second was to illustrate that negative discounting in the forward sequence occurred due to a focus on feasibility considerations. In this study, the procedure was similar to that in experiment 1. Participants were asked to evaluate either immediate or delayed consumption first, and in terms of either WTP or enjoyment ratings. Unlike experiment 1, they were told to imagine that they would attend a concert that featured their favorite singer. In addition, we manipulated feasibility by the location of the concert. In the high (vs. low) feasibility condition, participants were told that the venue was near (vs. far from) their home. Results showed that when evaluating in terms of monetary considerations, participants consistently discounted delayed consumption irrespective of temporal framing and feasibility condition. However, when evaluating using enjoyment ratings, participants discounted delayed consumption if they first evaluated the delayed concert—irrespective of feasibility condition. When the immediate concert was evaluated first, negative discounting was observed only in the low feasibility condition, thereby supporting our predictions.

Experiment 3 investigated the effect of the accessibility of the lay belief in discounting. If an alternative way to evaluate the consumption is made salient (e.g. via a prior task involving enjoyment ratings), individuals are less likely to use their lay belief in discounting as an input in their WTP assessment. Participants were asked to imagine that they would enjoy a delicious dinner in a fancy restaurant, either tomorrow or one month later. All participants first reported enjoyment ratings and then their WTP for both the immediate and the delayed dinner, evaluating either the immediate or the delayed consumption first. The results of study 1 were replicated for the enjoyment ratings, with participants discounting delayed consumption if they first evaluated the delayed dinner, but not when they first evaluated the immediate dinner. The WTP metric showed a different pattern. Here, when participants first evaluated the delayed dinner, they discounted it in a manner similar to the enjoyment ratings. However, WTP for the immediate and delayed dinners did not differ when participants first evaluated the immediate dinner. In other words, since participants reported negative discounting when they first evaluated both dinners in terms of enjoyment ratings, they later also showed less discounting of WTP assessments. This demonstrates that when evaluations in terms of enjoyment ratings are made salient, individuals are less likely to use their lay beliefs in monetary discounting, thereby supporting our hypothesis.

To summarize, we demonstrate that people hold a lay belief in discounting of monetary considerations. This lay belief is utilized irrespective of the framing of the temporal orientations unless alternative ways of valuation are made accessible. In contrast, since people are less likely to hold this lay belief in discounting of enjoyment ratings, they are more likely to focus on the consumption itself when making the predictions. Therefore, different framings of temporal orientations will have different effects on the valuation of immediate and delayed consumption– with discounting only being observed if the lay belief is made accessible.

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# The Single Consumer: Avoiding Tradition and Extending the Self

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Due to increasing divorce rates, the popularity of the single lifestyle, and marriages later in life, there is an escalating need for a focused understanding of single consumer. The single person, defined as one who lacks a serious romantic relationship or a "sex and everything else partner" (DePaulo 2006), may find him or herself consuming in a world that is geared towards the married or otherwise attached consumer. By the general populace, the single person is perceived as incomplete (DePaulo 2006), abnormal (Waehler 1996) or not yet adult (Schwartzberg, Berliner, and Jacob 1995); by the government, the single person is defined by what he or she is not—married (U.S. Census Bureau 2003). Essentially, the single person is perceived as lacking, which then may carry over to their self-perception. This may become particularly apparent during marketplace events geared for couples (including Valentine's Day), which may prompt single people to seek out possessions that proudly state their single status. Else, the event may prompt singles to revert to the private sphere of consumption and avoid the public marketplace, celebration of certain holidays, or attendance at events.

We suggest that singles are sometimes faced with a "lack of self", or a perceived missing part of the self as triggered by not having a spouse or other romantic partner at various marketplace events or holiday celebrations. A single person may find him or herself surrounded by a marketplace that promotes couplehood and disengages the single consumer. As one instance, Valentine's Day is an annual "event" that celebrates romance and the institution of the couple. At more frequent events (including weddings, informal gatherings of coupled friends, or even simply attending a restaurant, movie, or other such public arena), a single person may at times feel incomplete or out of place.

How does the single consumer respond to Valentine's Day and other marketplace events positioned towards couples, and how does he or she adjust his or her own identity in accordance? Here, we seek to advance understanding of single consumers via assessments of their attitudes and their symbolic, identity-reflecting purchases. Specifically, we maintain two objectives: 1) to understand and explain single consumers' experiences and identity-reflecting purchases, and 2) to extend the theory of the extended self. Just as things or experiences that single people have or exchange reflect and contribute to their identity, we show how the things people do *not* have or exchange also reflect and contribute to one's identity.

To reach the objectives, we employ multiple qualitative methods, including open-ended projective questionnaires of single consumers, depth-interviews, and observations. We extend theory to show the meaning associated with singles' purchasing and non-purchasing during various markets that cater to non-singles. For instance, during Valentine's Day, many single consumers elect not to buy, receive, or exchange traditional romantic items (e.g., cards, roses, chocolates, upscale dinners) (Close and Zinkhan 2006). Just as possessions reflect the identity of the possessor, and in turn contribute to that identity (Belk 1988); we find that a lack of these possessions/ traditional exchanges reflects the identity of the single person. Further, lack of attendance or participation at events where a romantic partner or date is common also reflects and reinforces the single person's identity.

On the one hand, some singles opt-out of such traditional purchases because they feel excluded from the market. By not exchanging the traditional items for Valentine's Day, the single consumer reinforces their identity as a single person. A lack of these possessions (albeit often temporary possessions, such as flowers or chocolates) contributes to the single person's identity. On the other hand, some single people receive or exchange items to embrace or announce their singlehood. For example, some single consumers wear t-shirts that say "single and proud", or go to sponsored parties that are "singles only". We aim to understand single's possessions in terms of the meaning invested in them by the purchaser (Belk 1988).

As both Bateson (1982) and Belk (1988) note, people may incorporate others into the extended self. Belk argues that "If other people are apart of our extended selves, it follows that there should be a sense of self-loss during divorce and at the death of a spouse, child, or close friend" (156). Singles may experience jealousy as a fear of loss of part of the self to another person. In turn, they may feel personal injury when someone who has been incorporated into the extended self is hurt or offended in some way.

Our findings are potentially moderated by the individual's perception of their single status and the type of single that they are. The classification of singles includes: divorced, separated, widowed, and never-married. Of those that have never married, there are three subgroups: the transitional, the permanent, and the unwilling single (Barkas 1980). Transitional singles view their single status as a stepping stone to coupled status. They fully expect to be in a coupled relationship at some point in the future. The permanent single is actually committed to his or her single status and finds great joy in living as a single person subject only to her or her own whims. The unwilling single is one who views the single status as a temporary one but, as of yet, has been unable to find someone to be un-single with.

In continuing research, we propose that the unwilling single is more likely to exhibit a "lack of self" than the transitional or permanent single. These are also probably the singles who will be the most affected by days and events such as Valentine's Day and deal with social comparison in an alternative manner (e.g., by avoiding the formal marketplace traditions, by impulsively seeking Mr. or Ms. Right Now). We also expect that the permanent single is more likely to seek out the "single and proud" items. In other words, the permanent single will refuse to be defined by what he or she is not and, instead, seek to reinforce the single self at such times through various consumption activities and possessions. Here, the self is not missing a part. The unwilling single, on the other hand, may use various consumption activities fill in the part of the self that is missing.

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# "Effort-as-Information": The Impact of Decision-Related Effort on Subsequent Evaluation and Price Judgment

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## Background

Decision-related effort is an important factor in understanding consumers' decision-making and consumption behavior. For example, it is assumed that consumers attempt to reduce decision-related effort in their decision-making (Bettman, Luce, and Payne 1998; Payne, Bettman, and Johnson 1993). In fact, several research streams suggest a direct relationship between effort and decision-making. Particularly speaking, they suggest that effort influences: (i) the selection of decision heuristics (e.g., compensatory vs. noncompensatory rules, Payne, Bettman, and Johnson 1993); (ii) the justification for choosing luxury over necessity goods or choosing a more-risky over a less-risky option (Kivetz 2003; Kivetz and Simonson 2002); and (iii) the evaluation of objects (Kruger, Wirtz, Boven, and Altermatt 2004).

Specifically, Kruger et al. (2004) introduce the concept of "effort heuristics." They propose that people have a tendency to use effort as a basis for their evaluations. They provide empirical evidence by showing that the participants in their study evaluated a poem more favorably when they thought that the poet took more time (i.e., 18 hours) to write the poem than when they thought that the poet took less time (i.e., 4 hours). In this study, the effort that the poet spent, however, is not related to the decision per se, and the decision-maker did not generate any decision–related effort. Thus, the effort investigated in Kruger et al. (2004)'s research involves other- rather than self-generated effort.

In this study, we are more interested in investigating the impact of decision-related effort on product evaluation and price judgment toward a chosen option. The purpose of this study is to examine the impact of self-generated or/and decision-related effort on the evaluation of a decision outcome (i.e., a chosen alternative).

## Hypotheses development

We propose that consumers' evaluations and price judgments will be higher when making a choice with much versus less effort on the basis of several theories. The first theory concerns "escalation of commitment," which suggests that people have a motivation to preserve previous effort in a subsequent task. Specifically, studies of escalation of commitment have shown that people's previous investment affects their future decision-making (Brockner 1992; Staw 1981). For example, Arkes and Blumer (1985) asked participants to choose one trip from two trips mistakenly reserved for the same day. They found that half of the participants chose the "more expensive and less attractive trip" over the "less expensive and more attractive trip," even though the chosen option is considered to be less enjoyable. Hence, based on "escalation of commitment," we can expect that people tend to use previous effort as important information for their decision-making.

Second, "cognitive dissonance theory" suggests that people have a motivation to preserve their previous effort. According to Festinger (1957), people have a strong motivation to reduce this cognitive dissonance after making a choice, in that making a choice or selecting one option from various possibilities increases psychological discomfort, known as *dissonance* (Festinger 1957). The effort required to resolve a decision problem can generate an uncomfortable state of mind. Specifically, if people use a great deal of effort for their choice, but their evaluation toward the chosen choice is not favorable, their cognitive dissonance will be high, and they will experience discomfort. We expect that one way to reduce this cognitive dissonance is to change the evaluation of the chosen alternative requiring a great deal of effort. If the decision-maker evaluates the chosen option favorably, then he or she can easily justify his or her effort incurred in the decision process. Therefore, based on "cognitive dissonance theory," we propose that people will evaluate a chosen option favorably when making a choice with more versus less effort.

Finally, "attribution theory" suggests that people use effort as information in judging the quality of performance (Kelly 1967). For example, consumers can reward firms for high effort, such as showing a higher willingness to pay for a product conveying high effort on the part of the company (Morales 2005). This result suggests that effort as information can work as a heuristic cue for product evaluation and price judgment.

Therefore, based on "escalation of commitment, " "cognitive dissonance theory," and "attribution theory," we expect "effort-as-information" to be relevant, inasmuch as product evaluation and price judgment for a chosen option are more likely to be higher when individuals put much versus little effort in the decision-making process.

## Hypotheses

H1: Consumers' evaluations will be higher for objects associated with high effort than they will for objects associated with low effort.

H2: Consumers' pricing judgments will be higher for objects associated with high effort than they will for objects associated with low effort.

## Studies

In Study 1, we examined the relationship between self-generated effort during a decision process and an evaluation of an object. The participants in this study were asked to imagine that they were going to buy a lottery ticket. First, the participants in the high-effort condition were asked to write down numbers from 1 to 60. They were then asked to select five numbers from 1 to 60, which was written by them. On the other hand, the participants in the low-effort condition were merely asked to select five numbers from 1 to 60, which was already given to them. Next, the participants in both conditions were asked to provide their willingness to accept (WTA) selling their lottery ticket to someone else. The results supported H2. The participants in the high-effort condition (mean=$17.64) showed a higher WTA to sell their lottery ticket than those in the low- effort condition (mean=$10.98, F (1, 45)=3.13; p=.08).

In Study 2, we examined the relationship between decision-related effort during a decision process and an evaluation of an object; additionally, we suggest the boundary condition for the "effort-as-information" effect in decision-making. We expect that different formats of product information display (e.g., an easy vs. difficult format) will require different levels of effort. Consequently, these different levels of effort will influence evaluations of a chosen object. This manipulation (e.g., an easy vs. difficult format) is directly related to "preference fluency," which is defined as the subjective feeling of ease or difficulty experienced while making a decision. Recently, Novemsky, Dhar, Schwarz, and Simonson (2007) have suggested the role of preference fluency in consumer choice. Empirically, they show that participants prefer high- versus low-preference fluency options, which contradicts the results of Study 1. I propose that the boundary condition between the effect of *preference fluency* and *effort-as-information* is the time interval between tasks. Preference fluency is based on "experiencing processing" (Meyers-Levy and Malaviya 1999), or is a type of feeling related to a decision. Hence, the impact of preference fluency (based on temporal fluency experience and feelings) should be reduced as time passes. We expect that the effect of *preference fluency* will be higher when there is no time interval between a choice and a subsequent judgment for a chosen option. Specifically, study participants will show higher evaluations for a chosen option from an easy-display format if we measure the subsequent evaluation immediately after the choice. On the other hand, the effect of "effort-as-information" will be higher when there is a time interval between a choice and a subsequent judgment. We expect that study participants will show higher evaluations for a chosen option with a difficult-display format if we measure the subsequent evaluation after a delay.

The participants in this study were randomly assigned to each cell of a two (level of effort: high vs. low) by two (time interval between the choice and the subsequent judgment: no-delay vs. delay) between-subjects design. They were asked to imagine that they were going to purchase one printer from four different brands of printers. The information format was manipulated in order to differentiate the effort demands of the decision. In the low-effort condition, we provided the participants with well-organized information about the four different printers. On the other hand, in the high-effort condition, we provided the participants with disorganized information, such as mixing attribute order across the brands. The product did not include any price information. The time interval was manipulated after choosing one printer. In the no-delay condition, the participants were asked to respond to subsequent dependent variables (i.e., evaluation and willingness to pay [WTP] to obtain the chosen printer) immediately after choosing one printer. In the delay condition, they were asked to do another irrelevant task (e.g., providing a summary of a story). They were then asked to respond to other dependent variables.

We found a significant interaction effect for evaluation and price judgment of the chosen option (evaluation: F (1, 76)=5.38, p=.018; WTP: F (1, 76)=4.36, p <.05). Specifically, when there was a time interval between choice and judgment, the results indicated that participants' evaluations and price judgments were higher for the chosen option associated with high effort compared to the one associated with low effort. Therefore, the results support our "effort-as-information" prediction as described in H1 and H2. On the other hand, when there was no time interval between choice and judgment, the pattern was the opposite. Therefore, the results of this condition support Novemsky et al. (2007)'s "preference fluency" prediction.

## Discussion

This study examined the impact of self-generated and decision-related effort on the evaluation and price judgment for decision outcomes. Two experiments demonstrated that consumers' evaluations and price judgments are higher for an option associated with high versus low effort. In addition, this research shows that this result can be moderated by the time duration between choice and the subsequent judgment. In sum, this study can contribute to understanding the role of decision-related effort on consumer judgment.

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# Commodifying the Self: Online Social Networking Profiles as Brand Communities

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From motorcycles and cars, to the *X-Files* and *Xena: Warrior Princess*, brand communities can emerge and coalesce in the most varied and surprising of places. (Kozinets 1997; Muniz & O'Guinn 2001; Muniz and Schau 2005; Schouten and McAlexander, 1995) In the six years since Muniz and O'Guinn (2001) explicated the concept of brand community, the model has been applied to a number of different brands and goods, but rarely has it been applied to the context of people. While numerous studies have explored the boundaries and functions of brand community, both online and offline, they have been restricted to the context of tangible goods, such as Macintosh computers (Belk and Tumbat 2002), or experiential products, such as the television program *Star Trek* (Kozinets 2001).

The research proposal outlined here addresses this shortcoming by applying the concept of brand community to a new context, one in which the individual consumer is the brand. Specifically, it argues for exploring the degree to which individuals think of their online profiles on social networking sites like Facebook as self-branding and the degree to which these profiles represent brand communities. The research uses as its foundation a definition of brand community as "a specialized, non-geographically bound community based on a structured set of social relationships among admirers of a brand." (Muniz & O'Guinn, 2001, p. 412)

Methodologically, it argues for the use of qualitative methods, specifically focus groups or in-depth interviews with young adults who use Facebook regularly. Focus groups are well suited to exploratory research that is still in the beginning stages. Based on these group interviews, this paper explores the meanings individuals attribute to their profiles, the way in which profiles represent the individual as a brand to be marketed, and the manner in which this self-branding fosters a community or social network around the individual-as-brand.

While most young adults might not explicitly think of themselves as brands or their online profiles as marketing campaigns in support of brand communities, Facebook users doubtless carry out significant message framing and maintenance work. Indeed, about two-thirds of Facebook users log on daily to update their online profiles and to check the updated profiles of their peers. (Arrington, 2005) As well, members of this generation are used to–and are not entirely put off by–advertising's encroachment into most aspects of their daily lives. While their impression maintenance may not be overtly construed as 'brand' management, the motivations are not dissimilar. Just as Harley-Davidson must carefully craft and monitor its public image, so too must individuals with online profiles on social networking sites.

This paper defines social network sites as a collection of online profiles that allow users to paint carefully circumscribed and easily updated electronic portraits of themselves. A fundamental dimension of the profile, and therefore of the self, entails the extent of social connectedness someone claims, as evidenced by the number of links to 'friends' someone purports to have.

Following Muniz and O'Guinn (2001), brand community is conceptualized as comprising three components or attributes: consciousness of kind, or a sense of connection between members and a shared knowledge of belonging; shared rituals and traditions, or common actions that help socialize new members into the community while perpetuating a shared history and consciousness; and moral responsibility, or a sense of shared duty or obligation to the community.

As a brand community centered on an individual, online social networking profiles offer valuable insight into the tension between the often conflicting notions of traditional and postmodern communities, a tension raised by Tonnies (1887/1957) in his distinction between Gemeinschaft (community) and Gesellschaft (society). The former is seen as natural, real and organic, whereas the latter is seen as depersonalized, mass and inauthentic. Indeed, the modern consumer society is often blamed for the demise of intimate, premodern community. At the same time, social networking sites are often decried for the false or shallow communities they create. Online relationships in this sense are seen as tenuous substitutes for meaningful offline interactions. But thinking of these online networks as brand communities suggests, just as Muniz and O'Guinn found with their research, that at least to some degree, real community can be found in these unlikely situations. Just as a community of Saab owners is a legitimate, noncompensatory kind of community, so too are brand communities that revolve around an individual and their online self or brand.

As a way of exploring online profiles as a form of brand community, this paper also seeks to understand how profiles are branded, who the customers for these brands are, and how the brand identity and brand community are promulgated. Do these profiles reinforce the brand to existing 'consumers' thereby maintaining already established social networks, or are they efforts at winning new converts to expand the social network or brand community? If they are efforts at capturing a greater slice of the social network pie, then who represents the competition and are individual profiles pitted against one another? Lastly, by highlighting the self as a brand and social interconnectedness as a desirable attribute, does it offer a form of resistance against the homogenizing forces of mass marketing or is it

merely a form of false consciousness that fetishizes the individual and diminishes the value of genuine social relationships? The implications of these trends are explored.

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# Fairness in Consumer Markets: Price Expectation, Cost Saliency, and Competition

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Consumer perceptions of price fairness have received increasing research attention over the past several decades. Kahneman, Knetsch, and Thaler (1986; hereafter KKT) were among the first to experimentally show that price changes may engender concerns of fairness on the part of consumers. Their basic findings were threefold. First, it is fair for a firm to raise prices when faced with increasing costs. Second, it is fair for a firm to maintain prices as costs decline. Third, it is unfair for a firm to benefit from shifts in demand by raising prices. Their cumulative findings are known as the notion of dual entitlement (DE), as a firm and buyer are both considered "entitled" to certain economic gains or losses given increases or decreases in product supply or demand.

Following KKT, several researchers empirically tested the basic tenets of the DE principle and have suggested conditions which either qualify or counter KKT. Kalapurakal, Dickson, and Urbany (1991) challenged DE by showing that an alternative cost-plus rule and a buffer rule are both observed to be fairer than the rule derived from the DE principle. Bolton, Warlop, and Alba (2003) showed that increases in some firm costs lead to increased perceived fairness, however some costs are considered unfair for price increases. Vaidyanathan and Aggarwal (2003) suggest that even cost-justified price increases can be perceived as less fair when the locus of causality is internal to the seller and/or when the price increase is within the volitional control of the seller. Homburg, Hoyer, and Koschate (2005) reveal that as customer satisfaction increases, the negative impact of the magnitude of a price increase is weakened. Finally, Bolton and Alba (2006) show that the perceived fairness of the price increase will also depend on the alignability of the cost and price increases, such that alignable increases are perceived as more acceptable than non-alignable increases.

The current research investigates several phenomena that may impact fairness perceptions. First, we consider whether there is a psychological difference between a price deemed "fair" and a price that one expects to pay given a change in economic condition. It has been forwarded that consumers have preconceived ideas about what is a fair price for a given item, and are unwilling to spend more than that amount for the particular item (Kamen and Toman 1970). However, it is not clear how fairness and the price one expects to pay are related in the consumer's mind. Second, we consider when and under what conditions unfairness perceptions can be attributed to different entities in a distribution channel such as a retailer, wholesaler, or manufacturer. Third, we consider the impact of the nature of competition on perceptions of price fairness. Specifically, we consider whether a price is deemed to be more unfair when the seller is a monopolist versus when the seller has close competitors. Lastly, we note that in most of the hypothetical price or cost change scenarios outlined in KKT, fairness perceptions may be highly sensitive to the explicit reason given for the change. Thus, we attempt to delineate between when the amount of the price change versus the reason given for the change predominate unfairness perceptions.

The results of five scenario-based studies with undergraduate subjects yield several interesting findings. First, a price increase caused by a decrease in supply is found to be fairer than a price increase caused by an increase in consumer ability-to-pay (wealth). In addition, a price increase caused by an increase in demand is found to be fairer than a price increase caused by an increase in consumer wealth. These two findings are not qualified by whether or not the price fluctuation was caused by the actions of the seller (retailer) or the upstream manufacturer.

Second, perceptions of the fairness of a price change may depend on whether the seller of the product (a video game console in our scenario) is a retailer or an individual (the latter becomes relevant in today's Internet marketplace). Specifically, a price increase is found to be more fair when the seller is an individual rather than when the seller is a retailer. It is less fair for a retailer that one frequently visits to raise prices, given a change of demand or supply, than it is for an individual who may or may not be known to a consumer.

Third, using KKT's famous snow shovel scenario, we find that on average people expect to pay more than $15 for a snow shovel given an increase in demand, and think it is fair for the firm to increase their price by a "reasonable" amount (about 10% in this instance). Subjects, on average, expect to pay more than the price they deem to be fair. Moreover, both the average 'expect to pay' price and the

average 'fair' price are significantly higher than $15. Thus, KKT's conception of fairness may not fully incorporate consumer price expectations or willingness to pay.

Fourth, given a wholesale price increase, subjects find it to be fairer for a monopolist retailer to increase the price of a product than for a retailer in a competitive market. However, we do not find a significant difference between a monopolist and a competing retailer in what people expect to pay. Given a cost increase, the price deemed to be "fair" is higher for a monopolist retailer than for a retailer with many competitors.

Lastly, we find that when the amount of a price change is made explicit (i.e. subjects are explicitly told that the price increases by $15 from, say, $130), the resulting price is considered more unfair than when subjects simply see the final price which includes the change (i.e. subjects are told that the final price after the change is $145). The latter is the scenario that one would expect to see more often in "real" stores, as the amount of the price change is rarely advertised to customers. This result indicates that some of KKT's prior results may be partially attributable to demand effects.

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# The Antecedents of Image Transfer–An Empirical Study of Event Sponsorship

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A literature review reveals that the factors influencing sponsorship effectiveness can be partitioned into three categories. The first is associated with a sponsored event per se such as event image, audience's interest and involvement in the event, event exposure and quality of the event. The second is the fit between the event and the sponsor brand. The third includes sponsor brand associated factors such as consumer's attitude toward brand, brand image and brand prominence. This study focuses on a sponsor brand having no awareness before the event and investigates the factors that may influence the effects of the sponsorship. Therefore, only the first two categories of factors are taken into consideration.

Similar to the American Idol in the U.S., Super Girl is a popular Chinese TV event that had drawn nationwide attention recently. This event was sponsored by a Chinese dairy brand called the Mongolian Cow Sour Yogurt. The target market of the brand and the major audience of the event is young people. The antecedents investigated in this empirical study include audience's attitudes toward the event, audience perceived event-sponsor brand fit, event exposure, perceived event quality and audience's involvement in the event. The extent that event image transfers to brand image is taken as the measure of the sponsorship effect. Hypotheses are developed based on a comprehensive review of the literature.

*Audience's attitudes toward event/Perceived event-sponsor brand fit/Event exposure/Perceived event quality/Audience's involvement in the event significantly influences image transfer*.

Considering the moderating effects of the involvement reported in previous literature, another hypothesis, *The higher level of event involvement, the stronger influences of attitude, fit, exposure and quality on image transfer, is put forward*.

### Method

A sample of enrolled students was drawn from two high schools and three universities located in Beijing, China. One thousand and five hundred questionnaires were distributed and 1,277 useable ones were returned. Measures of the independent and dependent variables were developed based upon a literature review, and were revised after pilot in-depth interviews. Reliabilities and validities of the measures were checked before statistical analyses were conducted.

### Results

First, a factor analysis on audience's attitudes toward the event was conducted. The result reveals two components of the attitude, personal liking of the event and perceived status of the event (whether the event is perceived to be socially valuable).

Then a multiple linear regression was conducted and the results indicate that perceived event-sponsor brand fit and event quality significantly influence image transfer. Inconsistent with the previous findings, personal liking and perceived status of the event, exposure and involvement are found insignificant. Finally, hypothesized moderating effects of involvement are not supported.

In order to fully explore the roles played by perceived event quality, event exposure and involvement, another two regressions were conducted to investigate these factors' impacts on personal liking and perceived status of the event respectively. Results show that perceived event quality, event exposure and involvement all significantly influence both personal liking and perceived status of the event.

In summary, the study identifies two influential factors of image transfer, perceived event quality and event-sponsor brand fit. Besides, though exposure and involvement are found to have no significant effects on image transfer, they both significantly affect personal liking and perceived status of the event, the two components of the attitude toward the event. Finally, it is found that perceived event quality significantly affects both image transfer and personal liking and perceived status of the event.

## Discussion

First, findings presented in this study indicate that event quality and event-sponsor brand fit are two critical factors in sponsorship because they influence image transfer, one of the most valuable goals for sponsors in pursuit of long-term brand image development. Second, based on our findings, we suggest that event relevant factors could be partitioned into two groups in terms of their roles: one group of factors affects brand image transfer, such as event quality and event-sponsor brand fit; the other group of factors influences audience's attitude toward event, such as exposure, involvement and event quality. Finally, event quality is a factor deserving special attention because it affects both image transfer and audience's attitude toward event.

Our study provides meaningful implications for practitioners. On one hand, before marketers contemplate what events to sponsor for, they should be aware of the effect of sponsorship on image transfer and the factors influencing such effect. To maximize image transfer and thus establish or strengthen brand image, sponsors may need to pay enough attention to event-brand fit and event quality. They shall be aware that high event exposure and involvement do not necessarily result in effective image transfer from the events to the sponsor brands. On the other hand, event organizers should realize that event exposure, audience's involvement and event quality are important in that they influence audience's attitude toward event. Besides, to meet the sponsors' demands for strengthening brand image, event organizers shall communicate with sponsors on how to create event-sponsor brand fit.

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# Avatar and Extended Self in Online Gaming

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How material possessions influence identity construction has attracted continuous interests in consumer research (Belk 1988, 2001; Arnould and Thompson 2005). Previous studies have examined meanings of possessions from different cultures and how they contribute to and extend a sense of self (Mehta and Belk 1991; Wallendorf and Arnould 1988), not only in home settings but also in workplaces (Belk and Watson 1998; Tian and Belk 2005). However, most existing studies have focused on self extension through tangible material possessions (Belk 1991), or self presentation (Goffman 1959) through digital associations on personal web pages (Schau and Gilly 2003). Although it has been found that avatars influence consumption (Holzwarth, Janiszewski, and Nuemann 2006), how intangible game avatars and virtual possessions in online games extend a sense of self is unclear. We seek to contribute to this theoretical tenet of self extension through a netnographic inquiry (Kozinets 2002, forthcoming) of the online gaming community in China. Specifically, we examine how consumers manipulate avatars in the virtual world to extend a sense of self in the Real World. Online gaming community also constitutes a fantasy consumption space (Belk and Costa 1998) that allows long term involvement and vicarious self construction. We explore strategies of self extension in this fantasy consumption space.

In addition to non-participant observations, we conducted depth-interviews with both experienced and amateur gamers in urban China. The interviews started with grand tour questions and were followed by probing questions for meanings of online games (McCracken 1988). The interviews lasted from twenty minutes to three hours. They were conducted in Chinese and then transcribed and analyzed. Our analysis proceeded through an itinerate process (Arnould and Wallendorf 1994; Spiggle 1994). Initial analysis has generated rich insights about identity construction and self extension within the online gaming communities in urban China. Chinese gamers construct a game avatar by projecting an ideal self and the well being of this game character is decided by the sum of its virtual possessions. For many gamers, the constructed avatar extends and enlarges a sense of self in the following ways. First, the avatar is used by gamers to extend the self beyond social taboos in real world, such as multiple marriages at the same time. Gamers seek idealized romance and experience love through the extended self of game avatar. The strong emotional involvement is experienced as "irresistible", even with the presence of actual partners in real life. Gamers seek to maintain the marriage in the game and at times such virtual relationship even results in actual marriage in RW. Second, the game avatar extends a sense of self by expanding the gamers' social network both within the game and in RW. Social capital (Bourdieu 1986) accumulated within the game empowers the gamer with a sense of control in real life. Third, the gamer and the game avatar are united by the flow of play and the gamer does not differentiate him or her self from the game avatar during the game. The avatar frames the gamers' identity and negative reputation of the avatar often evokes a strong sense of shame, or what Goffman (1959) calls the stigma of social identity. Forth, gamers seek to experience a sense of achievement through the extended self of game avatar and strive to accomplish what they cannot do in RW. Lastly, gaming is taken as a process of socialization through which gamers can learn and practice various skills needed in real life. Game avatar extends a sense of self not only through creating but also through knowing (Belk 1988).

Accompanying the rise of consumerism there is often a sense of loss (Giddens 1991), for which consumption is celebrated as a form of compensation. Online games provide an ideal arena in which gamers can seek to experience an idealized and *hyperreal* past. It is in essence a play of the lost values in rapidly changing Chinese society. In addition to pursuing these values through consumption, gamers also seek to enact the desirable in play (Huizinga 1970). Different games emphasize different values and offer a wide range of psychological remedies for everyday problems faced by Chinese gamers. The variety of experiences sought after in online games goes well beyond excitement, novelty, and relaxation. Gaming experiences are used to understand and guide actual lives in real world, and to help the gamer co-opt with frustrations in daily life. Gamers freely transgress between game and reality, and project experiences in the two different realms onto each other. We conclude our study with broad discussions of online game's impact on society and social well being.

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# The Role of Commitment on the Customer Benefits–Loyalty Relationship in the Service Context

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**Introduction**

The purpose of this study is to examine the relationships among customer's perceived benefits, commitment, and loyalty. This purpose was developed based on the limitations identified in the previous loyalty studies. First of all, studies investigating antecedents of loyalty heavily focused on satisfaction (Fornell et al, 1996; Bolton, 1998), overlooking the importance of commitment as an antecedent of loyalty. Considering that satisfaction is the result of a service experience (backward looking) whereas commitment is critical for long-term relationship with a service (forward looking), the relationship between commitment and loyalty should be examined in detail (Gustafsson et al, 2005). Secondly, even though a number of recent studies identified that loyalty is not unidimensional (Ganesh et al. 2000; Dick and Basu, 1994), its relationships with various dimensions of commitment was under-researched (Verhoef, 2003). This study reflected multi-dimensional aspect of loyalty, so that customer retention, cross-selling, and positive word-of-mouth were distinguished and included to measure loyalty. By doing so, customer loyalty management strategies were developed, based on the resulting causal relationships between the types of loyalty behaviors and the dimensions of commitment. Third, there has been studies dealing with benefit-loyalty relationship with satisfaction as a mediator (Lee and Cunningham, 2001) the role of commitment in the relationship between benefit and loyalty has not been investigated enough. In this regard, this study compared two models, 'benefit → loyalty,' vs. 'benefit → commitment → loyalty,' to identify the effect of commitment on the relationship.

**Concepts and Hypotheses**

Considering of the previous studies and the applicability of the research constructs to mobile communication industry (e.g. Bolton 1998), benefit in this study was defined and measured by functional, economic, experiential, and symbolic benefit. In terms of commitment, this study distinguished affective commitment as a psychological aspect from calculative commitment as a physical and economic gain/loss aspect. This study agreed on the previous studies supporting that loyalty behaviors, such as customer retention, cross-selling, and positive word-of-mouth, are varied as the type of loyalty differs (Ganesh et al. 2000; Dick and Basu, 1994). Nine hypotheses are derived from the definitions of constructs in this study, reflecting the relationships among benefits, commitment, and loyalty. In detail,

it is hypothesized between benefits and commitment that functional and economic benefits with calculative commitment (H1 and H2), while experiential and symbolic benefits with affective commitment (H3 and H4) as having positive relationships. In terms of the relationships between commitment dimensions and loyalty behaviors, affective commitment is hypothesized as having positive relationships with all three types of loyalty behavior (H6, H8, and H9), whereas calculative commitment is hypothesized as having positive relationships only with customer retention and cross-selling (H5 and H7).

## Methods

225 Respondents were randomly selected and participated in the survey, and 204 cases were used in this study after screening process. Total 27 items were used in the survey to measure four types of benefits, two of commitment, and three types of loyalty behaviors. Reliability of the measurement was tested using Cronbach's $\alpha$, and it ranged from 0.704 to 0.954, implying that all constructs have internally consistent items. On the other hand, validity of the measurement model was tested using confirmatory factor analysis; resulting lambda and phi values showed good discriminant and convergent validity.

## Results and Conclusion

Hypotheses are tested through structural equation modeling using LISREL (8.50). Structural model showed a good fit to the data, suggesting that the research model was well developed ($\chi^2/df$= 1.382, GFI=0.908; CFI=0.972; RMSEA=0.040). About each hypothesis, eight were accepted and only the relationship between calculative commitment and additional sales was not supported. Affective commitment, on the other hand, significantly affect on all three types of loyalty behavior, including from the passive loyalty of "customer retention (t=0.174, p<0.05)" to the active loyalty of "positive word-of-mouth (t=0.535, p<0.05)." Especially that affective commitment showed the strongest effect on positive WOM pointed out the important role of affective commitment to induce active and strong type of loyalty. The mediating role of commitment was tested by comparing two models 'benefit → loyalty' and 'benefit → commitment → loyalty.' As a result, the model with commitment as a mediator showed better fit (Maruyama, 1998), indicating that the effective loyalty enhancement should focus more on letting benefits link with commitment appropriately than simply offering benefits directly.

## Implication and Future Research

This study identified two distinctive paths; one is functional and economic benefits → calculative commitment → customer retention (passive loyalty), the other is symbolic and experiential benefits → affective commitment → cross-selling or positive WOM (active loyalty). This provides notable implications. First of all, companies should be able to design their own benefits and relative customer relationship marketing strategy depending upon their goal (e.g. passive loyalty vs. active loyalty). Second, calculative commitment is mainly useful for defensive strategies, such as customer retention, whereas affective commitment helps to enhance three types of loyalty behaviors. This means that the economic benefit based marketing tools (e.g. price discount) on which marketers have heavily depended so far are not enough to establish a stronger loyalty, and marketing activities boosting up the emotional bonding with customers should be exercised to enhance loyalty. Thirdly, the benefits alone, without the link with commitment, did not significantly affect on loyalty, suggesting that companies are better to concentrate on building and maintaining the link between the two, instead of focusing on benefit offerings.

A number of directions for future research were also proposed. First, this study defined and limited benefits having four dimensions even though there are still other types of benefits. Including other types of benefits in relation to commitment and loyalty will help the external validity of the results. Second, this study treated three types of loyalty behaviors as static because the main issue was about the causal relationships among constructs. However, incorporating the dynamic model reflecting the relationships among loyalty behaviors (e.g. customer retention, cross-selling, and positive WOM) will be a further interesting study.

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# The Velocity of Time: Primacy and Recency Effects on Time Perception

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**Abstract**

This research proposes that time may be perceived to "accelerate" or "decelerate" during an event and aims to address how a change in the velocity of "time" affects time perception in Internet environment. We motivate the theoretical relationship between prospective and on-line processing as well as retrospective and memory-based processing to investigate how established primacy and recency effects in serial information relate to our variable time velocity issue. Our findings show that duration estimates are influenced by one's time paradigm and the variable velocity with which time passage was perceived. Follow-on studies extend the framework to include consideration of boundary conditions and moderators.

Waiting time has been found to negatively influence satisfaction (Katz, Larson, and Larson 1991). Although substantial research has been devoted to the examination of factors influencing time perception, to our knowledge, they have conventionally viewed time as a linear construct where it proceeds as a constant flow of equal units. To this end, we propose that time may be perceived to "accelerate" or "decelerate" during an event. For instance, in the loading of a web page, a progress indicator may display the time to completion either in accelerating (from slow progress to fast progress) or decelerating (from fast progress to slow progress) fashion. How would a mere change in the velocity of "time" affect subjective downloading time perception?

As a start, we propose that one answer lies in the specific instance when time perception is formed. Consistent with Soman (2003), we expect that estimations of duration are dependent on when the judgment is made. We compare between prospective and retrospective time perception.

We motivate the theoretical relationship between prospective and on-line processing as well as retrospective and memory-based processing to investigate how established primacy and recency effects in serial information relate to our time velocity issue. Similar to on-line processing, prospective time is more amenable to primacy effects where judgment is made as the raw data becomes available (Hastie and Park 1986). Hence, we hypothesize that on-line processing leads to shorter time duration evaluations if the user initially encounters fast processing speed. In contrast, retrospective time and memory-based processing is more consistent with recency effect, where judgment is made based on information retrieved from memory. Thus, more recent information will make a greater impact. We therefore hypothesize that these users will judge the processing duration for a decelerating progression condition to be longer than for an accelerating progression.

The study employed a 2 (Time Paradigm: Retrospective vs. Prospective) x 2 (Processing Speed Pattern: Accelerating vs. Decelerating) between-subjects design. The total waiting time for each condition was held constant at 1 minute.

The findings revealed a significant interaction effect of time paradigm with processing speed pattern on perceived duration [$F(1, 74)=10.4, p<.002$]. Planned contrasts showed that the participants in the prospective condition rated the processing duration to be shorter in the decelerating condition [$\bar{x}_{\text{fast initial}}=51.11, \bar{x}_{\text{slow initial}}=64.47, F(1, 74)=4.49, p<.05$]. In contrast, those in the retrospective condition perceived time duration to be longer when the processing speed decelerated [$\bar{x}_{\text{fast initial}}=63.25, \bar{x}_{\text{slow initial}}=48.57, F(1, 74)=6.01, p<.03$]. Thus, our hypotheses are supported.

In reality, time paradigms of Web users are usually unknown. Thus, a follow-on study tries to uncover the most ideal (if any) method of psychologically managing perceptions of download time when time paradigms of Web users are unknown, by exploring an inverted-U rate of progression, that is, a fast-slow-fast pace. Theoretically, users in both prospective and retrospective conditions should perceive shorter durations given that the salient cues used for judgment are at the beginning and end respectively. However, we believe that the issue is not as straightforward.

Preliminary, we think that the wait duration needs to be long enough to allow for fast-slow-fast transition. If the duration is "too" short, the transitions may simply be too obvious to the extent that consumer's recognition of the varying velocities may overcome any primary/recency effects. We liken this to the schemer's schema (Wright 1986) notion where consumers may interpret the fast-slow-fast (or any obvious) transition to be mere marketing tactics. At the same time, we explore the moderating effect of the importance of the website, since the value of time is context dependent (Leclerc, Schmitt, and Dube 1995). For instance, a download time of the same duration may be perceived to be longer or shorter depending on the importance of the website to the user. In other words, we are suggesting that the manipulation of time velocity to favorably affect perception may require careful boundary considerations; which the current research is trying to develop.

The concept of variable velocities of wait time may also be tested in a services marketing context (such as call centers) or its application to behavioral cues. For instance, common wait management strategies for restaurants include taking the guest's order before s/he is seated. Our findings in this research suggest that the timing of this order-taking would impact the perception of the wait duration, as it signals an "accelerated" process. We can also explore the effect of partitioning the experience (such as in a five-course western meal) versus a cohesive one (e.g., a Chinese meal where all courses are served at once) on the variable velocities effect we saw in our study. Ariely and Zauberman (2003) found that for retrospective experiences, partitioning of experiences attenuates the pattern of sequences on judgments. Instead, their evaluations are based more on each component's momentary performance. Other studies on retrospective evaluations show that the Gestalt characteristics on which evaluations are based are usually the peak and final states of the experience (Ariely and Carmon 2000). It would be conceptually interesting to examine these relationships in a services marketing context with the inclusion of prospective conditions.

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# A Meta-Analysis of the Moderation Effect of Regulatory Focus

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**Abstract**

We conduct a meta-analysis on the existing literature integrating a large number of empirical findings of regulatory focus studies. Our study is aimed at making two important contributions to the RF literature. First, we give an overview of the impact of regulatory focus fit in terms of the magnitude of the interaction effect. Second, we identify and show the influence of potential moderators that may contribute to the magnitude of effect size: (1) feeling-right operationalization, (2) type of regulatory focus, (3) research domain, (4) use of incentives, (5) type of student sample and (6) participants' cultural background. We employ meta-regression analysis (MRA) to assess the association between these factors and effect size heterogeneity. Findings and limitations of the study are addressed.

**Overview of the Research**

One of the most popular and fascinating topics in consumer research is the impact of consumer's regulatory focus (Higgins 1997) on emotions, judgments, and behaviors. This theory proposes that consumers differ in how they present and experience basic needs (i.e. advancement or security), how they act in the course of goal pursuits, and how they react toward either positive or negative outcomes. Regulatory focus theory discerns consumer focus into two distinct foci: promotion and prevention focus. Promotion focus is related to nurturance needs, concerned with advancement and progress, and focused on gain-nongains outcomes. In contrast, prevention focus is related to security needs, concerned with duty, obligations, and responsibility, and focused on loss-nonloss outcomes.

Recently, regulatory focus has been branched out to regulatory fit theory (Avnet & Higgins 2006, Kruglanski 2006). This theory aims to explain the relationship between the way the goals are pursued and customer's regulatory orientation of promotion or prevention. According to regulatory fit theory, the means of goal pursuit can sustain or disrupt the orientation (Avnet & Higgins 2006). Prior research has documented the consequences of the fit between these two factors. When the manner of goal pursuits fit customer's regulatory focus, they (1) put a higher value on their chosen objects, (2) are more motivated and enjoy more goals pursuit, (3) feel right about their goal pursuits.

**Significance and Implication of the Research**

Despite the aforementioned findings, regulatory fit theory is still "in the stage of discovering new ideas and discoveries" (Kruglanski 2006, Avnet & Higgins 2006). Thus, if the research is to progress research is needed that summarize the theory and quantify the impact of regulatory focus. Thus, the current study attempts to examine this issue. In addition, we assess the impact of a number of moderators that influence the effect of the interaction between regulatory focus and other variables on consumer's judgment and behaviours.

We conduct a meta-analysis on the existing literature integrating a large number of findings of experimental studies. We use partial eta-squared that can be transformed to r contrast and Fisher-Z transformation as effect sizes. Partial eta squared is defined as the proportion variance in the dependent variable accounted for by the independent variable divided by the amount of variance in the dependent variable that is unexplained by any other systematic factors in the design (or after these other systematic factors have been partialled out (Cohen 1973). The rationale for the partialling is that because these systematic factors (i.e. any experimental variables) may induce additional variance in the dependent measures that make comparison of an intended effect size across studies became unreasonable. Pertaining to our meta-analysis context, this effect size of variance proportion explained is consistent with the conceptualization of RF as a moderating factor (i.e. cell means approach see Jaccard 1998).

In total, we obtained 83 effect sizes collected from 20 studies. Our meta-analysis study reveals that the effect size of the interaction effect varies between moderate and large: the estimate of r contrast is 0.321, which is equivalent to partial eta-squared of 0.103. We use a meta-regression procedure with REML estimator (Borenstein & Rothstein 2001) to test for the homogeneity of the effect sizes across studies. Following Card and Krueger (2005), we also estimate the model with OLS, adding standard error in the regressor in order to check for publication bias (i.e., the bias stemming from the fact that research with statistically significant results is has a greater chance of being

submitted and published than research that reports no significant results). The results show no potential publication bias. In addition, the majority of moderator variables were insignificant. We cross-checked this result by calculating the fail-safe N of Rosenthal (1979) i.e. the numbers of 'missing' studies needed to nullify the result. The fail-safe N seems very unlikely to exist (N>1000). Hence, we conclude that there is no threat for the publication bias in our meta study.

We find that homogeneity test is significant, which means that there is systematic variability in the effect sizes. We identify five moderators: type of feeling-right operationalization (process-based vs. outcome based); type of regulatory focus (trait vs. ideal-ought priming vs. identical task priming vs. approach-avoidance strategic priming vs. attribute priming), research domain (laboratory task vs. health vs. education vs. other), type of incentive for participation (voluntarily vs. money vs. personal gift vs. course credits), type of student sample (high school vs. college), and cultural background (independent vs. interdependent). It appears that types of RF priming, research domain, type of incentives, and type of student sample were found to be significant predictors of the magnitude of effect sizes.

Our findings should be interpreted in the light of their limitations. First, we were only able to use a relatively small number of articles as only these met the imposed criteria for inclusion in the sample. Many articles did not contain enough information for calculation of the interaction effect size. Second, treating multiple effect sizes of the same studies as statistically independent may also create a certain degree of bias in the findings. As more effect sizes become available, future meta-analyses can be conducted by taking into account dependency among effect sizes. Third, in addition to the major study variables included in our analysis, other potential moderators may help to explain variation in effect sizes. For instance, we were unable to record the amount time participant spent in experiments; as such information is frequently not reported by researchers. The availability of such information may, for instance, help to better interpret the level of participants' involvement in the study. Overall, our review of the literature demonstrates the relevance of the regulatory fit effect in consumer decision-making.

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*Note that a complete list of full reference used is available from lead author*

# Development of an Instrument for Measuring Consumers' Perception of Atmosphere

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The concept of atmosphere is important both in everyday life and business. For example, consumers use time, energy and economic resources to create atmosphere in their homes involving costly activities such as decoration and purchase of art. Also, in business, atmosphere is considered vital. In the hospitality sector atmosphere is perceived an essential, if not the key factor, to attract and satisfy guests. The same interest applies to the retailing industries. To improve the atmosphere of their establishments, firms often make costly– and risky investments. However, the concept is vague and difficult to grasp, which represents a considerable challenge with regards to improving and managing atmosphere.

In this study, the hospitality industry was selected as the empirical setting. Despite considerable interest worldwide, targeted survey instruments to assess consumers' perceptions of atmosphere in hotel settings are lacking. This paper reports the process of developing such an instrument.

Several attempts have been made to define the concept. For example, atmosphere has been described as "the air surrounding a sphere" (Kotler, 1973). Mehrabian and Russell (1974) developed an influential framework for analyzing the effects of different environments on individuals. Bitner (1992) highlighted the concept of servicescape, i.e. the physical environment in which services are delivered, which can be an important aspect, but in no way fully captures the phenomenon of atmosphere. A review of relevant studies (see reference list) points toward three essential elements that can be combined to create the desired atmosphere: (1) atmospherics (background features such as temperature, scent, music and lighting), (2) social factors, and (3) design factors. Consumer responses to atmosphere might include cognitive, affective, physiological and behavioral reactions. However, the literature offers few indications regarding what the concept really captures, nor how to measure it. Consequently, an empirical approach was found necessary.

The development work was based on recommendations from previous scale development and measurement studies (see reference list). The work included two phases, i.e. an inductive and a deductive phase. In the *inductive* phase, we examined how the concept has been applied in relation to hotels. An internet search on "hotel" and "atmosphere" in combination yielded several million hits and a search routine was employed for identifying adjectives used for describing atmosphere. Every time a new adjective for describing hotel

atmosphere was encountered, this word was registered in an inventory of hotel atmosphere descriptors. Alternative search engines were used to expand the search, as well as synonyms (ambience, charm, appeal and resorts, motels, inns). We also scrutinized a large number of hotel design books, architectural books and travel magazines. When no more new descriptors were found, we concluded that the search was exhaustive. At this stage the inventory had *600 unique descriptors*, which we consider as the universe of hotel atmosphere descriptors.

In the *deductive* phase, we tested the relevance of each descriptor and reduced the number in order to remain with the most fundamental ones. The 600 descriptors were first reduced to 458 by employing judgment-based criteria. Thereafter the 458 descriptors were empirically tested using a three-stage randomized experimental design. Subjects were shown a ten-minute presentation of a hotel randomly selected from a total of 12 presentations. Afterwards they rated how relevant each descriptor was for describing the hotel's atmosphere on a seven-point Likert scale. In the first stage (n=78 undergraduate students, specializing in hotel/tourism management at a leading university in Norway) the number of descriptors was reduced from 458 to 201. The second stage (n=77, different sample from the same student population) yielded a further reduction to 135 descriptors. These descriptors were tested in the third stage (n=278, using a heterogeneous sample of students, i.e. from a wide range of disciplines), which gave the 43 descriptors that were subsequently tested in the exploratory field survey. Here we collected data from actual hotel guests in six hotels, all members of a leading hotel chain in Norway.

A total of 559 guests were invited to participate, of which 369 responded (i.e. a response rate of 66 percent, which we consider satisfactory). The composition of the sample (gender, nationality, age, type of guest) was found to be representative of the guest population of the respective hotels. In addition to questions about the respondent and ratings of various aspects of the hotel, the questionnaire included the 43 descriptors (in randomized order). The respondents were asked to indicate how relevant each was for describing the atmosphere in the hotel.

Following exploratory factor analyses of the responses on the 43 descriptors, we decided to proceed with a four-factor solution. The first factor could easily be interpreted as *distinctiveness* (high loadings on descriptors like special, fascinating and different). The second factor was interpreted as *hospitality* (loaded mainly on descriptors like welcoming, hospitable and professional). The third factor had powerful loadings on descriptors such as pastoral, resort and holiday and could consequently be interpreted as *relaxation*. The fourth factor loaded on descriptors like classical, traditional and upper-class and was thus labeled *refinement*.

The factor structure was further tested by confirmatory factor analysis using LISREL (Linear Structural Relations, Jöreskog and Sörbom, 2004). Atmosphere profiles were produced for the six hotels by plotting the mean factor scores. These profiles give a visual picture of the type of atmosphere that characterizes the hotel (there were highly significant differences between the hotels on the four factors). To test the predictive power of the indicators we used discriminant analysis. The random probability of predicting which of the six hotels the respondents had stayed in is 16.7 percent (i.e. 1/6). By including the atmosphere measurements, the probability increased substantially, i.e. 87.4 percent of the respondents were correctly classified.

The research presented here represents a step towards developing an instrument to measure atmosphere perceptions. Given the considerable interest, and consequently the presumed value of atmosphere as an intangible asset, there are a number of areas where a targeted measurement instrument would be useful. For example, the instrument could be employed to assess the extent to which the atmosphere of a particular establishment differs from that of its competitors, and whether the atmosphere offered satisfies the demand of the market segment aimed at. Also, the measurement instrument could be used to explore the relationship between atmosphere and key variables like customer loyalty, word-of-mouth, and repeat visits to mention a few.

Most managers have predefined goals to follow. To establish and create a desired atmosphere is often left to design experts (e.g. architects and interior designers), or handled by the owner's gut feeling/intuition. Being involved in atmosphere measurement can help the manager to improve his or her professional judgment and consequently reduce the risk of bad investments based on feelings more than facts. The measurement instrument could also be useful in identifying gaps (e.g. areas where staff members' perception of the atmosphere differs from that of the guests), as well as for measuring the effect of various interventions (e.g. pre- and post measurements in connection with investments to improve the atmosphere or training programs to enhance hospitality). Finally, the instrument could be used for testing how effectively different promotional material can communicate the salient aspects of the establishment's atmosphere to potential consumers.

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# The Impact of Regulatory Focus on the Effect of Two-sided Advertising

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Advertisers attempt to present products as positive as possible, praising the advantages of the advertised products. Sometimes, however, it is beneficial to rely on two-sidedly communicated-ads mentioning not only the benefits but also the shortcomings of a product

(Crowley and Hower 1994; Etgar and Goodwin 1982; Insko 1962; Kamins and Assael 1987; Lumsdaine and Janis 1953; Pechmann 1992). However, the persuasive effects of two-sided ads are limited and cannot be generalized (Belch 1981; Bohner et al. 2003; Golden and Alpert 1987; Hovland, Lumsdaine and Sheffield 1949; for an overview see Crowley and Hower 1994). In this paper, we argue that the recipients' regulatory focus (e.g. Higgins 1997; Higgins et al. 1994) is an important factor that accounts for differential effects of two-sided advertising.

The regulatory focus influences to what extent individuals rely on substantial arguments of a message and/or on affective responses when forming judgments (Florack, Scarabis and Gosejohann 2005; Pham and Avnet 2004). Prevention-focused individuals rely more on the substance of a message than promotion-focused individuals, whereas promotion-focused individuals are more likely to rely on their affective responses toward an ad. The feeling of credibility elicited by an ad is an affective response, and this feeling is elicited to a greater extent by two-sided ads (Golden and Alpert 1987; Settle and Golden 1974; Smith and Hunt 1978; Sternthal, Phillips and Dholakia 1978). Therefore, we expect a generally higher credibility of the two-sided ads compared to the one-sided ads. We also expect participants with a promotion focus to more heavily rely on this positive cue. As for the substantial content, regulatory focus theory suggests that prevention-focused individuals are more sensitive to negative information (Higgins 1997, 1998, Higgins and Tykocinski 1992). Combined with the differential relevance of mentioned product shortcomings, the differences in reliance on affective responses and substantive arguments should lead to more positive effects of two-sided advertising for promotion-focused recipients than for prevention-focused recipients.

To test these hypotheses we conducted two experiments. In experiment one, we measured chronic regulatory focus and then presented to the participants a series of three ads, either one-sided or two-sided. For every product, there was a one-sided ad that mentioned only the product advantage, and a two-sided ad that mentioned both, the product advantage and the product disadvantage. After the presentation of each ad, participants rated the advertised product. We averaged the dependent measures for the three ads. All analyses were computed with the aggregated scores. Regression analysis revealed a significant interaction between ad type and regulatory focus on the evaluation of the products: The stronger the promotion focus was, the stronger the positive effect of the two-sided ads compared to the one sided ads.

In experiment two, we applied a 2 X 2 Design, with the factors *regulatory focus* (promotion vs. prevention) and *ad-type* (one-sided vs. two-sided). Both factors were manipulated between participants. We measured the credibility of the ads and the evaluation of the products. Regulatory focus was primed with a modified version of the d2 attention test (Brickenkamp, 2002). The instruction was altered to either highlight loss- and non-loss feedback for priming a prevention focus or gain- and non-gain feedback for priming a promotion focus. Again, participants saw a series of three ads that were two-sided in one condition and one-sided in the other condition. After the presentation of each ad, participants judged the credibility of the ad and evaluated the product. As expected, participants rated the two-sided ads as more credible than the one-sided ads. An ANOVA with the factors ad-type (two-sided vs. one-sided) and regulatory focus (promotion vs. prevention) and the evaluation of the product as dependent measure yielded a significant interaction between ad-type and regulatory focus. In the promotion focus condition, participants evaluated the products more positively when two-sided ads were presented than when one-sided ads were presented.

In order to investigate the underlying process of the effects of two-sided ads in the promotion focus condition, we tested whether the effects of the two-sided ads were mediated by the credibility of the ads in the promotion focus condition (Baron and Kenny, 1986). In line with the results of the ANOVAs, regression analyses showed that the type of the ad was significantly related to the product evaluation and the credibility of the ad. Furthermore, the effect of the ad-type on the product evaluation is no longer significant when credibility is also entered in the regression equation, while the effect of the credibility of the ad is significant. A subsequent *Sobel test* showed that the reduction of the effect of the ad-type on the product evaluation is significant.

Taken together, the analyses show that in the promotion focus condition, the effect of the ad-type on product evaluation is mediated by the credibility of the ad. Further, our results have implications for marketing managers and advertisers. They suggest that two-sided ads are more effective when consumers are in a promotion focus and, therefore, rely on their affective responses. In particular, two-sided advertising might be effective for products linked to a promotion focus. Recent research has found that a regulatory focus is associated with certain product categories or the framing of a product category (Florack and Scarabis 2006; Zhou and Pham 2004). For advertising in such categories, two-sided ads should be effective.

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# Negative Emotions as Motivators of Consumption

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Emotions are central to human experience and greatly affect us on a day-to-day basis in making all types of decisions, including consumption decisions. In a famous and often quoted article, James (1884) raised the issue, "*What is an emotion*?" This question has been repeatedly asked by philosophers and psychologists (and marketers as well!) for more than a century now with limited. Defining and measuring emotions remains a challenge as they rarely are either fully present or absent at any given time and tend to be highly individual and context specific (Ben-Ze'ev 2000). There is a lack of unanimity on the definition and measurement of emotions, and more importantly, differentiate it from other affective states.

The importance of the role of emotions in marketing is well understood (see Bagozzi et al 1999 for a review) and have been studied under a variety of contexts, such as, advertising (Aaker et al 1986; Batra and Holbrook 1990), attitude (Bagozzi 1992; Batra and Ahtola 1990), product usage (Holbrook et al 1984), brand evaluation (Yeung and Wyer 2005) and consumption (Havlena and Holbrook 1986; Richins 1997). These studies have largely examined how various types of consumptions invoke different emotions in the form of consumer response, as well as, how to measure emotions in a marketing context using scales and measurement techniques developed in psychology. Limiting the focus of research to emotions as a response to some marketing stimuli restricts the understanding of the role of emotions as it treats them as an outcome while ignoring the role of emotions as an antecedent or motivator to a behavior. Emotions, be they positive or negative, are more than appraisals of events and include action tendencies (Frijda 1986), therefore, their role should be examined involving all stages of consumer decision making.

At the same time, a survey of the marketing literature suggests that most research in the past has focused on examining the role of positive emotions and the measurement issues associated with them in consumer decision making. The role of negative emotions in consumer decisions has largely been ignored with a few exceptions, such as (Andrade and Cohen-in press) where they examine the consumption of negative feelings. The positive as well as negative emotions can serve as motivators for setting consumption goals and have both marketing and public policy implications. Gardner (1985) suggests suggested that, "… *the behavioral effects of negative moods may be more complex that the effects of the positive moods*," (p. 283). Therefore, it is important to understand when, why and how individuals would engage in consumption behaviors motivated by negative emotions. To that end, *the objective of the present research is to explore the role of negative emotions as motivators of consumption.*

To that end an exploratory study was conducted in which 117 undergraduate business students enrolled in a marketing course were asked to describe a real-life consumption situation triggered by negative emotions. Given the sensitive nature of the task, the researcher removed himself from the classroom while the subjects typed the descriptions on their laptops. A couple of USB flash drives were circulated in the class room to save the descriptions without any respondent identifier. A total of 53 students submitted the descriptions.

A content analysis of the data was conducted to identify the motivations for engaging in the consumption, the type of consumption experience, the intensity of the emotions involved, and consequences of the consumption. The consumption situations described by the subjects covered a very wide range of activities from purchasing simple products out of envy to spiteful behaviors targeted at family members, friends and, in some cases, at strangers. Though envy and jealousy were often mentioned as the motivation, it is noteworthy that a very large proportion of the respondents used the words such as "*spite*" and "*revenge*" to express their primary motivation for

consumption. The end goal, according to many, was to assert a control over a situation even at the cost of suffering more pain, both physical and emotional, accompanied with financial losses. Such behavior is contradictory to the hedonic assumptions underlying most consumer behavior that individuals seek to maximize their pleasure and minimize any associated pain/losses. This suggests that there is more to negative emotions than identified in the extant marketing literature and the concept of spite must be examined as a motivator

In identifying the Consumption Emotions Set (CES), Richins (1997) identified seventeen categories of emotions out of which Envy is one category comprised of *envy* and *jealousy* as its dimensions. However, the findings from the present exploratory research suggest that among the negative emotions, spite may be a much stronger emotion than envy and jealousy and might be the primary motivator behind some of the consumption decisions resulting from negative emotions. . Literature in psychology has differentiated between envy and jealousy and examined their role on individual actions and feelings–*schadenfreude* (Hareli and Weiner 2002; Smith et al 1996; Smith and Kim 2007). Surprisingly, to the best of our knowledge, no distinction is been made among envy, jealousy and spite or the role of spite has been examined in consumption. "*Spite implies a particular kind of hostile motivation,*" (Lazarus 1991, p. 227), and appears to be a more intense negative emotion than envy and jealousy and its role on consumption and public policy implications must be examined more systematically.

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# Narrative Transportation in Concept Tests for Really New Products: Are All Protagonists Equally Convincing?

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When consumers are asked to evaluate really new products, they are helped by mentally simulating product use (Hoeffler 2003). Here we apply this finding to early concept testing, in which really new product concepts are presented to consumers. We propose that presenting such concepts in a narrative format may stimulate mental simulation. While reading a narrative of another consumer (the protagonist) who uses a new product, consumers are thought to place themselves in the events taking place. The result is a melding of attention, imagery and feelings, known as narrative transportation (Green and Brock 2000).

Narratives evoke imagery more easily than non-narrative formats (Deighton, Romer, and McQueen 1989), including bulleted lists of product characteristics (Adaval and Wyer Jr 1998). Applied to concept testing, we propose that a narrative format will enhance transportation and, through this process, to a more empathic (i.e., higher) evaluation of the new product. A potentially moderating factor is the portrayal of the protagonist, whose (mis)match or similarity to the reader might influence the degree of connection that is felt, and thus of the level of transportation (Green 2004). We will investigate this with senior consumers in two experiments that both make use

of a concept product that was pre-tested as highly innovative (Ebook; an electronic book). Senior consumers were chosen because they constitute an important and growing market in which the acceptance rate of highly innovative products tends to be low.

## Experiment 1

Participants (n=85) from activity centers (aged 55-80) were asked to evaluate the Ebook in a take home questionnaire. The design was a 2 (format: narrative vs list) x 2 (protagonist ethnicity: reader match vs reader mismatch) between subjects design. The narrative was written first. The bulleted list was constructed later by removing the protagonist, the temporal order of events, and their logical interrelatedness (after Adaval and Wyer 1998). In the ethnicity match condition the protagonist was Matthew, who had recently moved from the US to the Western country of the reader, and in the mismatch condition this was Mohammed who had moved from Morocco. In the instruction it was stated that the text originated from a forum, and was by someone who had written about the protagonist and his product.

After reading the concept, participants filled in questions about product evaluation (two items), transportation (12 items, (adapted from Green and Brock 2000) and a manipulation check (one item assessing the protagonist's similarity to the reader). Exploratory factor analysis of transportation showed four subscales: transportation, protagonist imagery, product imagery and attention. Of these, attention had an alpha<.7 and will not be discussed further.

After a successful manipulation check on (mis)match, the first result showed a format x ethnicity effect on product evaluation ($F=4.29, p<.05$), with the narrative match condition more positively evaluated than the other three conditions ($Z_{contrast}=2.00, p<.05$). A format x ethnicity effect in the same direction was found on the transportation subscale ($F=3.78, p=.05$). In addition, ethnicity had a main effect on the transportation subscale (match>mismatch, $F=5.28, p=.05$). Finally, there was an effect of format on both imagery subscales, with narrative higher than list (protagonist imagery: $F=25.59, p<.001$; product imagery: $F=2.99, p=.08$). Mediation analysis (Baron and Kenny (1986) shows that transportation mediates the interaction effect of format by ethnicity on product evaluation. A Sobel Test of this indirect effect is marginally significant ($Z=1.64, p=.05$, one-sided).

Experiment 1 shows that respondents are transported most by a matching protagonist in the narrative. It is this that leads to a higher product evaluation-not the evoked imagery. However, some mismatches may be more acceptable to the reader than the one used here. In addition, the (moderated) effects of format may be related to the fact that less protagonist information was present in the list than the narrative. Experiment 2 addresses these two issues.

## Experiment 2

In this laboratory experiment 92 men from a household panel participated, aged 55-75. A 2 (format: narrative vs protagonist-list) x 2 (protagonist age/gender: reader match vs reader mismatch) between subjects design was used. For format, the same level of protagonist information was now present in both the narrative and list, so the two conditions only differed in the temporal order and logical interrelatedness. In the protagonist age/gender manipulation, the matched protagonist was a man, always three years younger than the reader to avoid guessing. The mismatch was a woman of 23. We pretested protagonists' names so that they suited their age. Procedure and measures were similar to experiment 1.

After a successful manipulation check on (mis)match, we found a format effect on product evaluation (narrative>list, $F=4.24, p<.05$). We found format effects in the same direction on all transportation subscales (all alpha's>.70, transportation: $F=5.28, p<.05$; protagonist imagery: $F=33.74, p<.001$; product imagery: $F=6.60, p<.05$). A mediation analysis with the three transportation subscales as mediators revealed transportation and protagonist imagery as mediators of the format effect on product evaluation. Separate Sobel Tests showed an indirect effect for both variables (transportation: $Z=2.16, p<.05$; protagonist imagery: $Z=4.02, p<.001$).

## Discussion

The two experiments show that narratives lead to a higher evaluation than lists in concept tests, and that this effect is mediated by transportation. Mediation corroborates a finding of Escalas (2004) in advertising, where transportation was found to mediate the effect of mental simulation on attitude towards ad and brand. We also find that product imagery does not mediate evaluation, and protagonist imagery only in experiment 2. An explanation for this last effect might be that the protagonist in experiment 1 was liked less in the mismatch than the match ($F=13.47, p<.001$), while in experiment 2 she was liked more in the mismatch than the match ($F=5.34, p<.05$). Thus, the transportation subscale mediates the (moderated) format effect on evaluation, and protagonist imagery mediates only when the protagonist is liked.

The difference between experiment 1 and 2 in the evaluation of the mismatch narratives can also be explained by protagonist liking. Earlier it was shown that a lack of familiarity with the protagonist reduces transportation (Green 2004). However, we show that a reader-protagonist mismatch does not reduce transportation when the protagonist is liked by the reader. Thus, it seems that transportation, which implies that the reader simulates *being* the protagonist, is determined more by liking than similarity, which is relevant for concept testing.

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# Transforming Self and by Extension Society. An Exploration of Activism Against Consumerism

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## Introduction

This paper aims to contribute to a deepened understanding of activism against consumerism in contemporary consumer culture, a topic that only recently has started to feature in consumer research debate (see among others, Dobscha and Ozanne, 2001; Cherrier and Murray, 2002; Kozinets and Handelman, 2004; Thompson, 2004; Gabriel and Lang, 2006). Making use of a theoretical framework inspired by Foucault's ideas on power and resistance, focussing on an ethical, anti-consumeristic campaign as a research domain and applying a combination of qualitative research techniques, this research attempts to investigate how radical activists, usually cited as "others" within dominant discourses on consumption, position themselves and resist traditional materialistic consumption culture.

## Theory

Consumer research addresses the issue of the movements that seek to undermine consumeristic ideology using several different theoretical perspectives, ranging from NSM theory to eco-feminism from Foucault's ideas on power to Plummer's framework of identity construction.

This paper, following Thompson's suggestions (2004), aims to study consumer activism that seeks ideological and cultural change in the market using the conceptual categories introduced by Foucault.

An analysis of power and resistance in Foucault's works has been conducted (among others, Foucault, 1978; 1983; 1985; 1988). Consideration of some of his later publications clearly reveals an interesting evolution in the notion of resistance, which ultimately emerges as much richer and viable than that initially put forward in Volume I of *The History of Sexuality* in 1976.

In fact, Foucault concludes that resistance to power is better understood not merely in terms of agonistic force relations, but also in the sense of creative movements in the field of possible actions; resistance is no longer just the sabotage of a dominant agenda but also concerns the constitution of novel types of subjectivity, forms of agency that develop a genuine alternative to mainstream contemporary life. Therefore, an important point of resistance is in forging new forms of living, or innovative, non-conventional modes of existence; in short, self-formation.

Building on this more complex notion of resistance, I study how activists involved in an extremely active, ethical, anti-consumeristic, Italian campaign named "Bilanci di Giustizia" (*Balance Sheets of Justice*) engage in resistance to consumption.

## Methods

The investigation of the Bilanci di Giustizia activists commenced in 2002. At that time I began informally observing their highly active, group partecipants' Internet community and downloading and analyzing their computer mediated communications. Additionally, pertinent articles, documents and other cultural data available through mass media and via Internet were collected and analyzed.

After approximately one year of building a knowledge base, I undertook participant observation at the two day annual meeting in 2003. Following this, I subscribed and contributed to the Bilanci di Giustizia mailing list and maintained e-mail contact with several participants I had met and interviewed. This more intensified online activity was followed by participation in the successive annual meetings. During immersion in these events I kept detailed written field notes. The ethnography also encompassed interviews and interactions with several activists. All the material was transcribed, coded, repeatedly read in detail and analyzed using constant comparative analytic techniques (e.g., Glaser and Strauss 1967).

## Findings

Findings demonstrate that the activists' adoption of counter-discourses drawing on cultural models of fairness, environmental sustainability and quality of life ideals results in the undermining of existing dominant discourses on consumption in general, and thereby the creation of conditions for the establishment of a permanent critique of all consumerism.

However, these simultaneous and ubiquitous forms of resistance that focus on transforming power relations combine with activists' creation of new forms of subjectivities more in line with their anti-consumeristic ideology and contrasting their received subjectivities as "western mainstream consumers". Activists transform themselves in accordance with their ideals and standpoint on what is genuinely beneficial and meaningful in life, rejecting their traditional roles as consumers.

These new forms of subjectivities, these "alternative" approaches in relating to society, nature and oneself are creatable through their coherent linkage of modes of organizing thoughts, conduct and ways of being.

In particular, the philosophy of "sobriety" appears to be the most marked issue activists consider in transforming themselves, with which they aim to "make the difference" in relation to mainstream consumers, considered to be dozing in conformist behavior or, as in one respondent's words, a "*comfortable torpor*".

With this philosophy guiding their everyday and concrete actions, activists can become credible evidence that change is possible and that this can significantly contribute to the attainment of a better world.

In synthesis, this idea of transforming themselves and by extension the society in which they live could prove to be of great interest in enriching the discussion on activism against consumerism in contemporary consumer culture.

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# When Ads Make Drama Seem Silly and Comedy Seem Dull: Role-Fulfillment Effects of Mood on Evaluations of Emotional Television Commercials

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Previous consumer research has examined how moods induced by emotional television programs influence viewers' evaluations of commercials. For example, Goldberg and Gorn (1987) showed that happy and sad television programs induce parallel moods among viewers, that viewers continue experiencing these happy and sad moods during commercial breaks, and that these moods influence their reactions to individual commercials. Drawing on research on mood congruency and accessibility (e.g., Bower 1981; Isen et al. 1978), Goldberg and Gorn hypothesized that viewers evaluate commercials more favorably when they appear during happy (vs. sad) programs, and provided experimental support for this hypothesis.

We believe that previous consumer research only captures part of a more complex relationship between the emotional valence of television programs and viewers' evaluations of commercials.

**Role-Fulfillment Evaluation Processes**

In this paper, we draw on psychological research on mood as an input to role-fulfillment evaluation processes. Whereas most theoretical models of the relation between mood and evaluations suggest that people in positive moods provide more favorable evaluations than do people in negative moods (e.g., Bower 1981; Isen et al. 1978; Schwarz and Clore 1988), role-fulfillment research suggests that the more people experience the feelings (positive or negative) that they would expect to feel if some mood-inducing object or event had fulfilled its role, the more favorably they evaluate that object or event.

For example, Martin et al. (1997) showed that participants in an experiment evaluated a comedic television program more favorably after being incidentally placed in a happy (vs. sad) mood, whereas they evaluated a dramatic television program more favorably after being incidentally placed in a sad (vs. happy) mood. Martin et al. argue that happy participants evaluated the comedy more favorably than did sad participants, because, for them, the comedy seemed to have fulfilled its role: they expected it to make them feel happy, and (due to the positive incidental mood induction) they indeed felt happy. Similarly, Martin et al. argue that sad participants evaluated the drama more favorably than did happy participants, because, for them, the drama seemed to have fulfilled its role: they expected it to make them feel sad, and (due to the negative incidental mood induction) they indeed felt sad.

**Hypothesis**

In this paper, we propose that when a television program establishes a mood, viewers expect to continue experiencing that mood throughout the duration of the program, including commercial breaks. Then, based on research on role-fulfillment processes, we hypothesize that viewers evaluate commercials more favorably when they support, rather than break, the moods established by programs. Based on this hypothesis, we predict that viewers like happy commercials more than sad commercials during happy programs, and that they like sad commercials more than happy commercials during sad programs. The notion that, under some circumstances, viewers may prefer sad (vs. happy) commercials is counterintuitive and a key contribution of this paper.

**Experiment 1**

The goal of Experiment 1 was to test our hypothesis that viewers evaluate commercials more favorably when they support, rather than break, the moods established by programs.

*Design*: The experiment had a 2 (program mood: happy vs. sad) X 2 (chronological positioning of commercial in program: middle vs. end) X 2 (commercial mood: happy vs. sad) X 2 (commercial replicates) between-subjects design.

*Procedure*: Participants watched a 15 minute clip from a happy vs. sad television program, followed by one of two happy vs. sad

commercials which were chronologically positioned such that they either interrupted the program or followed its conclusion. Then they evaluated the commercial.

*Results*: Consistent with our hypothesis, the results showed that following happy program clips, participants evaluated happy commercials significantly more favorably than sad commercials, and that following sad program clips, they evaluated sad commercials significantly more favorably than happy commercials. This interaction effect was significant both when the commercials interrupted the program and when they followed its conclusion, providing evidence that the effect is robust.

## Experiment 2

The goal of Experiment 2 was to test whether the theorized role-fulfillment process underlies the interaction effect observed in Experiment 1.

*Design*: The experiment had a 3 (focus: cognitive vs. affective vs. none) X 2 (commercial mood: happy vs. sad) X 2 (commercial replicates) X 2 (awareness of potential biasing effects of mood on evaluations: aware vs. unaware) between-subjects design.

*Procedure*: Participants utilized a computer program which displayed instructions that implemented the focus manipulation (for a discussion of cognitive vs. affective focus see Millar and Tesser 1986). In the cognitive focus condition, the instructions stated that participants should carefully attend to the details of the ensuing program clip's plot, characters, and scenes in preparation for a memory test. In the affective focus condition, the instructions stated that participants should carefully attend to their emotional responses to the ensuing program clip in preparation for an empathy survey. In the no focus condition, the instructions did not indicate what participants should focus on during the ensuing program clip.

Participants then watched a 15 minute clip from a sad television program, followed by a happy vs. sad commercial. Following the video, the computer displayed instructions that implemented the awareness manipulation. In the aware condition, the instructions described psychological research which has shown that people's incidental moods may sometimes bias their evaluations of stimuli. In the unaware condition, the instructions did not mention this research. Finally, participants evaluated the commercial.

*Results*: There were four interesting results. First, among participants in the affective focus and no focus conditions, evaluations of the sad commercials were significantly more favorable than those of the happy commercials. Since these commercials followed a sad program clip, this result is consistent with our hypothesis that television viewers evaluate commercials more favorably when they support, rather than break, the moods established by programs.

Second, among participants in the cognitive focus condition, evaluations of the sad commercials and the happy commercials were statistically equal. By demonstrating that when viewers ignore their moods the difference in evaluations between mood-matching vs. mood-mismatching commercials disappears, this result provides support for the theorized role-fulfillment process.

Third, among participants in all three focus conditions, evaluations of the sad commercials in the aware condition were either significantly lower than or statistically equal to evaluations of the sad commercials in the unaware condition, in support of the theorized role-fulfillment hypothesis and contrary to the predictions of the competing HDIF heuristic (see Schwarz and Clore 1988).

Fourth, among participants in all three focus conditions, evaluations of the happy commercials in the aware condition were either significantly higher than or statistically equal to evaluations of the happy commercials in the unaware condition, in support of the hypothesized role-fulfillment hypothesis and contrary to the predictions of the HDIF heuristic.

## Conclusion

Our results have implications for consumer research on the effects of mood in advertising, for psychological research on role-fulfillment and the interplay between competing mood models, and for important aspects of marketing practice such as commercial design and scheduling and the pricing of television airtime.

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# Being Hedonic and Becoming Prudent

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"I am who I am or I am what I intend to be?"
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People often make choices as a form of self-expression (e.g. Belk 1988, Malhotra 1988, Kleine). It remains unclear whether these self-statements are derived from consumers' perceptions of their current selves or their future selves. That is, are consumers purchasing an item in order to say "this is who I am" or in order to say "this is what I want to become"?

The current research suggests that consumers do both; that consumption choices and preferences shift depending on their mindset. More specifically, we show that when consumers think about their current selves (i.e. are in a "being" mindset) they are more likely to show hedonic preferences and choices. However, when consumers think about their future selves (i.e. are in a "becoming" mindset) they are more likely to show prudent preferences and choices. This notion integrates two literatures. The first is literature demonstrating the impact of time-orientation on consumer preferences and choices. This literature demonstrated that time-orientation influences consumers' choices between two computer software options (Lieberman and Trope, 1998). When asked to make a decision about the distant future, desirability aspects are more important. In contrast, when asked to make a decision about the near future, feasibility aspects of new software are more important. The second is literature demonstrating the relation between time-orientation and self-control. This literature has shown that individuals high in self-control are more future-oriented than individuals low in self-control (e.g. Zimbardo and Boyed 1999, Strathman, Gleicher, Boninger and Edwards 1994).

Unlike the literature that manipulate time-orientation by changing the timing of the decision outcomes (e. g., tomorrow versus next year), we manipulate time-orientation by asking individuals to think about their current selves or their future selves: to adopt a "being" mindset in which decisions are made with the purpose of evaluating and defining the current self or to adopt a "becoming" mindset in which decisions are made with the purpose of elucidating future outcomes (Johnson & Stapel, 2007).

We extend literatures by demonstrating that consumer's mindset can influence subsequent consumption choices and preferences in the domain of self-control. Because a being mindset is associated with defining the current self, a being mindset was expected to have a short-term time orientation associated with the desire to "seize the day". As a result, a "being" mindset should be associated with hedonic choices and preferences. Because a "becoming" mindset is associated with moving towards future selves, it should lead to a long-term time orientation associated with prudent choices and preferences.

Three studies test these hypotheses. In each study, participants were assigned to a "being" mindset (e.g. write a brief essay about "who you are right now") or a "becoming" mindset (e.g. write a brief essay about "who you will become in the future"). Then, they were asked to report preferences and make choices for day-to-day consumption scenarios.

In Study 1, we tested the influence of mindsets on spending preferences. After writing a "being" or "becoming essay", participants (N =64, Age $_{mean}$ =36.4) were asked to imagine that they had won a prize of \$1000. Participants reported how they would spend their winnings. The preferences were coded as hedonic (e.g. plasma TV) or rational (e.g. pay bills). As hypothesized, participants in the "being" condition were more likely to report hedonic ($N$=17) versus rational spending preferences ($N$=11), while participants in the "becoming" condition were more likely to report rational ($N$=23) versus hedonic spending preferences ($N$=13), ($x^2$(4, $N$=64)=3.83, $p$=.05).

In Study 2, we tested the influence of mindset on gift-receiving preferences. After writing the mindset essay, participants (N=72, Age $_{mean}$=19.5) were asked to imagine that they had recently purchased a home and were assembling a gift registry for a house-warming party. They were asked to put together a 10-item Amazon.com gift registry drawing from a list of 20 items that had been pre-tested by nine judges as hedonic (e.g. Martini glasses) or rational (e.g. pots and pans). We examined the first two items selected. Participants in each mindset were equally likely to make balanced choices (one rational, one hedonic). However, participants in the "becoming" mindsets were more likely to make two rational selections ($N$=16) compared to participants in the "being" mindset ($N$=6). And, participants in the "being" mindset were more likely to make two hedonic choices ($N$=8) than were participants in the "becoming" mindset ($N$=3),($x^2$(2, $N$=72)=6.39, $p$=.04).

In Study 3, we further tested our hypothesis in a consumer choice setting. Participants (N=84, Age $_{mean}$=19.3) were asked to read an ad that asked them think about who they are now or who they may become. Then, they were given a choice between two snacks: a granola or a chocolate bar. Participants in the "being" mindset were more likely to choose the chocolate bar ($N$=24) over the granola bar ($N$=17) while those in the "becoming" mindset were more likely to choose the granola bar ($N$=24) over the chocolate bar ($N$=14), ($x^2$(1, $N$=84)=5.72, $p$=.01).

In sum, the current studies extend our understanding of the relationship between time-orientation and consumer's choices and preferences in demonstrating that consumer's tendency to be hedonic or rational is based upon their view of their self. Focusing on current selves drives consumers to be hedonic while focusing on their future selves drives consumers to be prudent. Across three studies and three different consumption situations, when consumers thought about their current selves, they were more likely to make hedonic choices and preferences. That is, shifts in mindsets influenced preferences and choices, even when the time of the decision and timing on of decision consequences remained the same. Thus, time is not simply a characteristic of the decision, but an alterable characteristic of the consumer.

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# Nice Guys Finish First: An Examination Customer-First Strategies on Consumer Attitudes and Loyalty

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In a memorable scene from the American classic, "Miracle on 34th Street," the Macy's Santa Claus directs prospective customers to a competing store because the competitors' prices are lower. Customers delighted by Macy's customer service, choose to shop in-store, despite higher prices. Is this simply cinematic fiction or do nice guys really finish first? This paper explores the impact of customer-first strategies, those that put the interest of the consumer before that of the retail establishment (termed here as the "Miracle on 34th Street Effect"), through the lens of three theoretical frameworks.

The most basic tenet of the norm of reciprocity proposes that people help those who have helped them in the past. Simply put, patrons may feel obliged to return the favor of the salesman by means of immediate or future purchases or other indirect methods such as positive word of mouth. However, the mood congruency hypothesis offers another possible explanation for the proposed effect. Existing literature on affect indicates people are likely to remember and recall those events that are congruent with their current moods and that people's social perceptions are mood-congruent. (Bower, 1981). Therefore, an extremely positive interaction with a salesperson might induce a positive mood, leading the customer to act congruently with the positive mood and shop in-store rather than going to a competitor. Finally, we should also consider the concept of disconfirmation of beliefs as a means of expectation management. Typically, customers do not expect salespeople to engage in behaviors that benefit the customer at the risk of the company. This explanation predicts that when expectations based on historical information are compared to the actual consumption experience and are significantly different, prior beliefs are elaborated upon and new attitudes are formed, causing consumers to reappraise the situation and take appropriate action. (Oliver, 1981)

In sum, though the relative strength of these three processes in explaining the Miracle on 34th Street effect is not clear, the outcomes of the three processes are similar. More specifically, it is hypothesized that customers who interact with salesmen exhibiting a customer-first strategy will be more likely to favor the target store: When choosing it over a competitor for an immediate purchase ($H_1$), through more positive evaluations ($H_2$), have more positive evaluations of the sales associate ($H_3$), purchase an unrelated item even when it is costlier at the target store in the future ($H_4$), be resilient to negative information ($H_5$), and tell others about their experiences ($H_6$).

A 2X2 design (sales associate strategy X price difference) was used (n=78) and participants had to imagine that they were using a gift certificate to buy a DVD. In all conditions, the DVD was out of stock at the target store. The sales associate strategy was manipulated by having the sales associate refer the customer to a competitor who carried the DVD in stock (experimental condition) or simply stating that the store was out of stock (control condition). All subjects were then told that they could either purchase the DVD at the target store but would have to wait 1 week while the store ordered it, or they could purchase immediately at a neighboring store, at the same price. Subjects also completed a mood identification scale and a brief exercise that probed them about their schema of sales associate behavior. In the second part of the survey, participants were first asked how likely they were to make a second unrelated purchase (CDs) at the target or competitor store. Price difference was manipulated so that the price of the target product was either identical at both stores or about 7% higher at the target store. Next, they were asked about a third unrelated purchase with a similar price manipulation. In the third section of the study, participants were given a fourth scenario involving a friend's purchase where negative information regarding the target store was presented. The four parts of the study were separated by distracter tasks to create temporal and cognitive distance from each other.

Data analysis provided support for $H_1$-$H_3$, wherein participants in the customer-first strategy (experimental) condition were more likely than control participants to choose the target store over the competitor $F(1, 78)=7.77$, $p<.01$, even though this required a one week wait and the same DVD was available at a neighboring store in the mall. Furthermore participants in the experimental condition had more positive store, $F(1, 78)=46.449$, $p<.00$, and sales associate evaluations, $F(1, 78)=36.588$, $p<.00$, were more likely to counter negative information about the store, $F(1, 78)=13.276$, $p<.00$, and were also more likely to make a future, unrelated purchase at the target store, even when the cost of the product was cheaper elsewhere, $F(1, 78)=60.388$, $p<.00$, supporting $H_4$-$H_5$. The only measure that was not significantly different was the likelihood to tell others about their experience at the target store, $F(1, 78)=3.105$, $p =.082$, thus rejecting $H_6$.

This study provides us with preliminary support for two of the process explanations proposed. There seems to be evidence for a mood congruency effect as subjects in the experimental condition had significantly more positive moods than their counterparts, $F(1, 78)=103.183$, $p<.00$. However, there also seems to be evidence for an expectation management explanation. When asked the extent to which the sales associate's behavior was typical of most sales associates, experimental subjects were more likely to find the behavior atypical than their counterparts, $F(1, 78)=56.551$, $p<.00$. They were also more likely to indicate that the sales associate exceeded their expectations, $F(1, 78)=61.432$, $p<.00$.

It is not very clear as to whether the norm of reciprocity was a factor in subjects' purchase decisions and store evaluations. While subjects in the experimental condition were more likely to make a second unrelated purchase at the target store, $F(1, 78)=60.388$, $p<.00$ they were also more likely to choose the target store over the competitor for a third unrelated purchase, $F(1, 78)=8.088$, $p<.00$. If the norm of reciprocity is strictly transactional, the customer need only make one more purchase at the target store). However here either participants felt obligated to extend other favors (a third purchase) or there were other factors in play.

The findings and discussion in the present paper are preliminary and merit future research effort. Future studies planned will test the process explanations more directly by manipulating their presence or absence. It is also possible that the explanations work in conjunction

and we will attempt to explore this. We also propose to explore the role of perceived authenticity of the sales associate as a moderator in this framework.

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# Leapfrogging over the Joneses: Can Wealth Redistribution Reduce Conspicuous Consumption by Relatively Worse-Off Consumers?

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It is a well-known and well-deplored fact that poor people spend more on status-enhancing positional goods and save less money overall (as a proportion of their income) than people who are better off (Bagwell and Bernheim 1996; Christen and Morgan 2005; Duesenberry 1949). Economists have argued that one solution to this problem would be to increase endowment equality by redistributing wealth through income or consumption taxation (Frank 1985, 1999). Although increasing endowment equality can undoubtedly reduce social envy and overall positional spending, this argument overlooks that it can increase the exclusivity benefits of positional spending (i.e., the improvement in people's relative social rank) for relatively poor people. For this reason, raising endowment equality may have the unintended effect of actually encouraging poor people to choose conspicuous consumption over savings, especially for goods consumed in public and that enhance social status.

In this research, we examine how the distribution of endowment across people affects the spending vs. saving tradeoffs and the social envy of people in the lower tier of the endowment distribution. We make three key hypotheses. First, improving endowment equality (i.e., increasing the proportion of people with an average endowment) reduces social envy because an equal distribution reduces differences among people. Second, a more equal distribution of endowment increases the improvement in status brought about by positional spending because it enables the worse-off people to jump ahead of the now larger number of people with average endowment. Finally, raising endowment equality causes relatively worse-off people to prefer consumption over savings more when the product provides observable status-enhancing benefits (e.g., a prestigious brand) than when it provides unobservable personal benefits (e.g., a higher durability).

In contrast to welfare economics studies, which are either theoretical or rely on secondary data, we test these hypotheses in three experimental studies. The first two studies examine the effect of equality of endowment with a product, whereas the last third study examines the effect of equality of income on spending and saving decisions.

In the first study, we examine how endowment equality affects envy and spending by relatively poor people. We manipulate between subjects the distribution of a positional good, the number of rose bushes in people's front gardens. In a scenario initially 10% of people have no rose bushes. In the equal distribution condition, 40% of gardens have two rose bushes. Buying three bushes enables the 10% of poor people (who initially have no roses) to be in the top 50% of gardens. In the unequal distribution condition, only 20% of gardens have 2 rose bushes and most gardens have a lot more. Buying three bushes therefore still leaves people with no rose bushes in the bottom 50% of the distribution. As expected, we find that poor people are less envious, yet spend more in the equal distribution condition than in the unequal distribution condition. Second, we find that the social comparison tendency of participants influences envy, but not their positional spending decision. This shows that envy and exclusivity gains are dissociated and that conspicuous spending decisions are driven by their status-granting effectiveness, not just by social envy.

In study 2, we distinguish between positional and non-positional spending and examine if exclusivity gains explain the effect of endowment equality on spending vs. saving decisions. We use a 2 (endowment distribution: equal or unequal) X 2 (positionality: high or low) X 2 (task: saving vs. spending decision or rating of exclusivity benefits) between subject design. The participants read 2 scenarios (house garden and ski trip) and judge how willingly a relatively worse-off person in an equal or an unequal distribution would spend on positional products (rose bushes and branded scarves for a ski trip) or non-positional products (pine trees and fabrics quality scarves for a ski trip) and to which degree each type of spending provides status gains. We find that positional spending is higher in an equal than in an unequal society, but only when the product is positional. We further show that endowment equality increases exclusivity gains for both positional and non-positional goods. This indicates that wealth equality leads relatively worse-off people to choose consumption over saving only for status-enhancing conspicuous goods.

In our final study, we examine the effect of the distribution of overall wealth, rather than the effects of the distribution of endowment with a particular product. We also study the moderating effects of social rivalry by manipulating whether the reference group consists of friends or rival co-workers. Finally, we manipulate the salience of self utility vs. status goals through a scrambled sentence manipulation. We use a 2 (wealth distribution: equal or unequal) X 2 (reference group: rivals or friends) X 2 (priming: status or personal utility) between-subjects design. After the priming task, participants are asked to evaluate their (low) salary by studying the distribution of salaries of either rival co-workers or childhood friends. In the final stage, participants read a scenario in which they have to choose whether to go to a lowbrow or highbrow fashionable restaurant with a friend or co-worker and whether to take a bus or a taxi to get home afterwards. We find a significant three-way interaction. Income equality leads to more conspicuous spending when people are primed with status than when they are primed with self-utility, but only in the rival co-worker condition. This result supports our thesis that the effect of endowment equality on spending is fueled by social rivalry and concern for status.

Overall, the studies provide insights about the drivers of conspicuous consumption by relatively worse-off people. They also have implications for the debate on what should be done to encourage poor people to save more rather than spend so much money on conspicuous consumption.

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# 'When the Chips are Down': The Relation between Stress, Social Support, and Food Product Attitudes

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To exercise sensible judgment it is conducive to be cool and collected (e.g., Raghunathan and Pham 1999). Despite this widely shared knowledge, this emotional state is not always within reach. Several studies have demonstrated influences of various affective states on decision processes (e.g., Shiv and Fedorikhin 1999; Isen 2001) and attitudes (e.g., Clore et al. 2005). One affective state that has important consequences for decision-making processes is stress (e.g., Keinan 1987). We argue, in the present studies, that stress is not only related to different decision-making strategies but also to consumers' product evaluations.

Under conditions of stress, self-regulatory mechanisms break down more frequently. According to the self-regulation model (for a review, see Baumeister, Heatheron, and Tice 1994), we only have a limited amount of regulatory strength. When this reserve is worn out, depletion is the result and self-regulatory performance is often weakened (Schmeichel, Vohs, and Baumeister 2003). This limited self-regulatory resource can be exhausted by self-regulatory demands (Vohs and Heatherton 2000). Once depleted, people buy (Vohs and Faber 2007) and eat (Baumeister and Heatheron 1996; Vohs and Heatherton 2000) more, and more impulsive. Obviously, the consequences for consumer behavior are far-reaching.

However, thus far, little is known about product preferences once depleted through stress. Therefore, in the present studies, we explore the influence of stress on explicit food product attitudes. Building on the theory of self-regulation, we propose in study 1 that stressed consumers not only eat more, but also prefer unhealthy food products over healthy food products, because they lose self-control. In addition, a growing body of literature has pointed out the importance of social support in the reduction of stress and stress related behavior (see Antonucci, Fuhrer, and Jackson 1990; Siebert, Mutran, and Reitzes 1999; Yacono Freeman and Gil 2004). Therefore, it is expected, in study 2, that social support has a stress declining effect, which reduces the impact of stress on food product attitudes.

## Study 1

To test the hypothesis that stress is related to food attitudes, participants' stress level was measured using the State version of the State Trait Anxiety Inventory (STAI; Spielberger 1983). A median split was applied to classify participants as experiencing high versus low levels of stress. Subsequently, consumers rated, on a five-point scale, their attitudes towards different food products (three healthy and three unhealthy food products). A measure of product preference was created by calculating the difference score between the mean score

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*Both authors contributed equally to this work.

on the healthy products and the mean score on the unhealthy food products. Hence, higher scores indicate a more favourable attitude towards healthy food product whereas lower scores indicate a more favourable attitude towards unhealthy food products.

As expected, the results demonstrated that participants with a high level of perceived stress scored lower on the product preference measure than participants with a low level of perceived stress, indicating that stressed participants have a more positive attitude towards unhealthy food products in comparison with unstressed participants.

## Study 2

In study 2 we aim to extend the results found in study 1 by manipulating levels of stress instead of measuring levels of stress. Furthermore, we examine the moderating role of perceived social support. We hypothesize that high levels of stress result in more positive evaluations of unhealthy food products than low levels of stress. Moreover, we expect this effect to be stronger for participants who are not satisfied by the social support they receive from friends and family.

We tested our hypotheses in a 2 (stress level: stressed vs relaxed) x 2 (social support: unsatisfied vs satisfied) between subjects design. Participants' satisfaction with the overall social support they receive was measured by the Social Support Questionnaire (Sarason, Levine, Basham, and Sarason 1983). Based on a median split, participants were classified as satisfied or unsatisfied with the social support they receive from friends and family. Stress was induced by adopting the procedure used by Coffey and Lombardo (1998), in which participants completed a number task, while hearing an audio novel in the background. Participants in the control condition were instructed to relax and to do so they could choose to listen to some music or to just wait. To test whether participants in the stress condition experienced more stress and felt more depleted than participants in the relax condition, they responded to the state version of the State Trait Anxiety Inventory (STAI; Spielberger 1983) and to a shortened version of the depletion scale (Ciarocco, Twenge, Muraven, and Tice, unpublished manuscript; Janssen, Fennis, Pruyn, and Vohs 2008). These measures were followed by the product preferences measure used in study 1.

The results demonstrated that participants in the stress condition experienced more stress and felt more depleted than participants in the relax condition, indicating that the stress manipulation was successful in inducing stress, and furthermore, it revealed that the stress manipulation resulted in depletion. Moreover, the results yielded a significant main effect of stress on product preferences showing that the stressed participants, compared to the relaxed participants, evaluated the unhealthy food products more positively than the healthy food products. In addition, this effect was qualified by a significant interaction between stress levels and social support satisfaction; the effect of stress on product preference appeared more pronounced for participants who are unsatisfied with the social support they receive.

When stress drains a consumer's strength, failing self-regulation becomes a possibility (Baumeister and Heatheron 1996), and can end up in compulsive (eating) behavior. The findings of the present studies show that being stressed may result in different food product attitudes as well. Moreover, participants who are satisfied with the social support they receive seem better in coping with stress and related feelings of depletion. Consequently, the impact of stress on food attitudes diminishes for those who experience satisfying social support.

Taken into account the enormous growth of stress (Schabracq, Winnubst, and Cooper 2003; Schaufeli and Enzmann 1998), the findings reported have important implications for consumers and producers on a large societal scale. The current studies contribute to the literature on the relation between stress, social support and product attitudes. It seems that social support can function as a resource to inhibit stress-related behaviors.

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# Who's Got the Power?
# A Social Power Perspective on Teen Purchase Influences

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Two main agents of social influence on teen purchase, parents and peers, are evaluated in by applying social power theory (French and Raven 1959). The five types of social power (French and Raven 1959) are summarized *briefly* below:

1. Expert power: expert knowledge.
2. Legitimate power: legitimate right to influence behavior
3. Referent power: personal identification
4. Reward power: ability to confer a reward
5. Coercive power: ability to confer punishment

Prior consumer research called for examination of peer and family influence (Bachmann and Roedder John 1993; Roedder John 1999), but social power theory has not been evaluated.

### Conceptual Development

Parents and peers significantly influence teen purchase decisions (Rousseau 1982; Rousseau 1984; Mascarenhas and Higby 1993; Moschis and Moore 1979; Martin and Bush 2000; Boyle, Claxton, and Forster 1997; Felsher, Derevensky, and Gupta 2003), while siblings have significant, but lesser influence (Cotte and Wood 2004). This study's focus is on parental and peer influence.

Most corporate studies of social power indicate that expert and referent power positively influence subordinates while legitimate power effects are mixed (Backman 1968; Elangovan and Xie 2000; Frazier and Summers 1986; Skinner, Dubinsky and Donnelly 1984). Reward power can motivate, but coercion negatively affects work performance (Frazier and Summers 1986; Elangovan and Xie 2000). Similarly, consumer research suggests informational and referent influence on teen purchase decisions (Mangleberg, Doney and Bristol 2004; Moschis 1976), while normative influence can have a negative effect (Mangleberg, Doney and Bristol 2004). Although peer influence increases as teens mature (Koester and May 1985; Feltham 1998; Simpson and Douglas 1998; Mangleburg and Bristol 1998; Lueg et al 2006), parental influence strongly affects teen consumption (Martin and Bush 2000; Blood and Wolfe 1960).

H1: Parental expert and referent power will have a positive effect on teen purchase decisions, while reward power will have a lesser positive effect.

H2: Parental coercive power will have a negative effect on teen purchase decisions

Corporate research on peer influence indicates that expert, referent, reward and legitimate powers are rated highest (Gemmill and Wilemon 1972; Pitts 1990; Thomas 1982), but that legitimate power and reward power might have lesser positive effect (due to mixed research results; Yukl and Falbe 1991; Fiorelli 1988), while coercive power has a negative influence (Fiorelli 1988). Consumer research (e.g., Mangleberg, Doney and Bristol 2004; Moschis 1976) is largely consistent with corporate results.

H3: Peer expert and referent power will have a positive effect on teen purchase decisions, while peer legitimate power and peer reward power will have a lesser positive effect.

H4: Peer coercive power will have a negative effect on teen purchase decisions.

Two other factors, family and product characteristics, potentially moderate parental and peer influence. Socio-oriented family communication (child avoids controversy and does not argue; Foxman, Tansuhaj and Ekstrom 1989; Moschis and Churchill 1978; McLeod and Chaffee 1972, McLeod and O'Keefe 1972) is associated with stronger peer influence (Moschis and Moore 1979; Bristol and Mangleberg 2005), while concept-orientation (child encouraged to develop own ideas) allows greater parental influence (Aribarg, Arora, and Bodur 2002).

H5:  Family communication style will have a moderating effect on social power influence, with socio-orientation having a more positive effect on peer influence and concept orientation having a more positive effect on parental influence.

Product category (e.g., public or private, luxury or necessity) moderates informational ("expert"), utilitarian ("reward" and "coercive") and value-expressive ("referent") influences (Park and Lessig 1977). Necessity products have greater value-expressive and utilitarian influences (Bearden and Etzel 1982), while luxury goods have greater peer influence, particularly for value-expressive and informational components (Childers and Rao 1992).

H6:  Product type will have a moderating effect on social power influences, with greater peer expert and referent power for higher-priced public/luxury products and greater parental and peer reward, coercive and legitimate power for necessity products.

## Methodology

Data were collected via written survey (175 Southeastern U.S. high school students). Social power scales (Gaski 1986; Hinkin and Schriesheim 1989; Flurry and Burns 2004) were adapted to teens, and socio/concept scales were used from prior research (Moschis and Moore 1979). Product was student-defined with an open-ended question ("last product you bought for yourself for more than $40, with your own money, in the past 12 months"). Product categories were assigned post-survey by two Ph.D. students using prior definitions (Childers and Rao 1992). Interrater reliabilities were .88 and .84, with disagreements resolved through discussion.

Exploratory factor analysis yielded 9 social power factors. Reward and coercion factors loaded unidimensionally (e.g., Beier and Stern 1969; Gaski 1984; Kohli 1989) for peers but yielded only one unique parental coercion factor. All factors had good reliability ($\alpha$>.70; Nunnally 1978). Confirmatory factor analysis indicated acceptable measurement model fit (CFI =.90, IFI=.90, $\chi^2$/df<2; Bentler and Bonett 1980; Kline 1998) and acceptable discriminant validity (high item loadings of .50 or more, low cross-loadings, and low inter-factor correlations (.63 or below); Bagozzi 1994).

## Preliminary Results

Peer and parental social power factors, as well as their interactions with socio and concept factors, were regressed against product type, using logistic regression. Grade level was a control factor. Preliminary results indicate that parental expert (p<.05) and coercive (p<.01) power, as well as peer expert (p<.05) and legitimate power (p<.01), significantly predict the type of product teens purchase, partially supporting H1-H4.

Furthermore, concept orientation significantly interacts with parental expert (p<.05) and coercive power (p<.01) but also with peer expert (p<.01) and legitimate power (p<.05), while socio orientation significantly interacts with peer reward/coercive (p<.01) and legitimate (p<.10) power but also with parental coercive (p<.01) power, partially supporting H5.

The results suggest that parental coercive (p<.05) but also peer legitimate (p<.05) power significantly influence "public necessity" purchases relative to "public luxuries," while peer expert power (p<.05) significantly influences public luxury purchases, consistent with H6.

Referent power was marginally significant for parental referent power for concept teens (p<.10). As expected, high school grade was significant. Overall, these results support prior teen purchase decision research, but lend greater insight into specific factors, such as legitimate power, that affect teen purchase.

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## Exploring the Role of Shopping Efficacy on Customer Satisfaction and Behavioral Intentions

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Research has conceptually and empirically augmented customer satisfaction models with antecedents and mediating satisfaction constructs. Abstract desires (Spreng, MacKenzie, and Olshavsky 1996) and multi-channel awareness and usage (Wallace, Giese, and Johnson 2004) impact customer satisfaction. Satisfaction with product and service attributes (Mittal, Kumar, and Tsiros 1999; Oliver

1993), satisfaction with the process and choice (Tanner 1996; Zhang and Fitzsimons 1999), and utilitarian and hedonic judgments (Mano and Oliver 1993) influence the overall customer satisfaction response. These findings have greatly enhanced researchers' and managers' understanding of customer satisfaction. Yet, important satisfaction questions still remain; the general focus of this research is to examine the role of the customer in customer satisfaction.

Current satisfaction research considers that customer differences may have a strong impact on the satisfaction process, the satisfaction response, and the resulting consequences. Mittal and Kamakura (2001) identified three possible customer characteristics: satisfaction thresholds, response bias tendencies, and nonlinearity between satisfaction ratings and repurchase behavior. Similar to satisfaction thresholds, Grace (2005) found consumer differences in disposition toward satisfaction. In the present research, we introduce a new construct, *shopping efficacy*, proposing that shopping efficacy will differentiate customers and will influence overall satisfaction and subsequently behavioral responses to the satisfaction episode.

Shopping efficacy is defined as the degree to which one can efficiently find a particular product for which one is shopping. Some people are able to buy a product they need or want without spending as much time as others. These consumers know which products and brands they are going to buy as well as where to purchase these products. As such, consumers who are high in shopping efficacy do not take as much time to locate and purchase products, relative to others and relative to the type of product. For these consumers, shopping efficacy is salient across different retail channels.

Previous studies have identified several kinds of market experts, including opinion leaders (Rogers and Cartono, 1962), market mavens (Feick and Price, 1987), and consumer innovators (Steenkamp, Hofstede, and Wedel (1999). These market experts may or may not be efficient at shopping. Similar to market mavens and opposed to opinion leaders and consumer innovators, efficient shoppers are not tied to a specific product category and they have general market knowledge, e.g. product information, promotions, price, and quality, for different kinds of products. Moreover, they are well-informed about both newly released and established brands and products. In addition, consumers high in shopping efficacy are adept with the search and shopping processes. Unlike market experts, efficient consumers are focused on their personal abilities to minimize the time needed to purchase products. Shopping efficacy is not strongly tied to interpersonal communication about products.

To develop a measure of shopping efficacy, an item pool was generated based on a focus group study and relevant literature. These items were tested on a sample of 43 students at a major west coast university. Based on initial reliability analysis, exploratory factor analysis, and confirmatory factor analysis, four Likert items were retained (1=strongly agree/5=strongly disagree; Cronbach's alpha=.89): 1) When I go shopping, I can quickly buy the product I want; 2) I can find the product I am looking for without spending much time; 3) I can shop quickly; and 4) I have the skills to find the product I am looking for in a short amount of time.

Shopping efficacy is related to differences in how consumers perform the shopping process; we expect that those who are high in shopping efficacy would be especially attuned to the retailer-provided efficiency of the shopping process. Thus, for those high (low) in shopping efficacy, an illogical or unorganized product display or website would result in lower (no effect on, possibly higher) process satisfaction This should impact their overall satisfaction more than for those who are low in shopping efficacy. This research examines the effect of shopping efficacy on overall satisfaction, and resulting behavior intentions.

To test these effects, an online study was conducted with 169 university students (80 males and 87 females). Randomly assigned participants visited one of two online florist shopping websites designed for this study. The websites differed in efficiency to check out with one requiring three clicks and the other requiring approximately 20 clicks. Participants examined two bouquets and then went through the checkout process (without actually paying for the bouquet). After checking out, participants answered questions related to the website, manipulation checks, and the shopping efficacy scale. In order to make the online shopping experience more realistic, the day after participants completed the product choice, each received an email with a message reflecting a good or bad product from the bouquet recipient. At this time, participants completed scales to measure their overall satisfaction (Spreng, MacKenzie, & Olshavsky 1996) and behavioral intentions (adapted from Mittal, Kumar, & Tsiros 1999). Regression analysis indicated a positive relationship between shopping efficacy and overall satisfaction ($\beta$=.145, $t$=1.896, $p$<.06). Behavioral intentions related to the product were measured by three questions: repurchase intentions from the same website; from the same florist; and likelihood to recommend the florist. SEM results revealed that the relationship between shopping efficacy and behavioral intentions was evident when including overall satisfaction as a mediator ($\chi 2$ (1)=0.884, TLI=1.001, CFI=1.000, and RMSEA=.000). Shopping efficacy also had a direct effect on behavioral intention related to the experience (the likelihood that the participant would tell others about the experience with the florist) with $\beta$=.199, $t$=2.625, $p$<.01.

These results indicate that shopping efficacy has a direct impact on overall satisfaction and that those high in shopping efficacy are more likely to talk about the experience. The positive relationship between shopping efficacy and overall satisfaction significantly influences consumers' intentions to repeat purchase and make recommendations. Overall, these results suggest that shopping efficacy makes a contribution to both consumer behavior literature and marketers. Indeed, it is expected that satisfaction ratings and behavioral intentions results will be more meaningful if this construct is taken into consideration.

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# Nature and Function of Scripts in the Evaluation of Service Experiences

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**Abstract**

This research examines how cognitive scripts shape the evaluation of service encounters. Based on an updated conceptualization of the script concept, script-based norms are theorized to be cognitively constructed from extant script knowledge to act as standards of comparison that shape evaluations. Findings from a two-stage experiment confirm that experienced consumers draw heavily on script-based norms to comparatively evaluate service transactions, and that these norms are consistent with the nature of script knowledge both as conceptualized and as elicited prior to consumption. The findings offer to challenge and enrich current models of consumer satisfaction and reactions to service experiences.

# The Effect of Promotion Framing on the Evaluation of Price Bundling

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Different promotional frames affect consumer price perceptions and internal reference prices (IRP) differently (Urbany, Bearden, and Weilbaker 1988; Lichtenstein, Burton, and Karson 1991). Similarly, when products are bundled, consumers are sensitive to the framing of price information (Yadav and Monroe 1993; Janiszewski and Cunha 2004). Whether the bundle consists of similar or different products, previous research has shown that consumer perceptions of products are influenced by different promotional frames (Sinha and Smith 2000; Janiszewski and Cunha 2004).

Although many studies have investigated how consumers perceive and evaluate bundle offers under various price frames, no research has targeted how the IRP shifts and mental accounts vary under price discount frames. Thus, the first purpose of this research is to examine consumer IRP under different promotional frames. Promotional frames may also affect the components of the bundle differently, a topic that has also been neglected in the research literature. Thus, the second purpose of this study is to elucidate the effects of promotional frames on the IRP of the focal versus tie-in products. The third purpose of the study is to observe the variation in IRP when bundles of similar or different products affect consumer perceptions.

In this article, three different types of popular promotional frames are used: "buy one, get one free," "buy one and get the second for only $1 (equals to 3 cents in US dollars)," and "buy two, get 50% off." The bundles have similar monetary values and are analyzed and discussed based on mental accounting theory (Thaler, 1985), in order to explain how consumers perceive these three frames. First, in the "buy one, get one free" situation, consumers open two "mental accounts": one is coded with a gain in the focal product's value, and the other is coded with the extra gain of the free product. It is not likely that the free product will be used to correct value of focal one for the consumer (Campbell and Diamond, 1990). Thus, IRP increases to match the advertised selling price in this situation.

The second frame, "buy one and get the second for only $1," may also make consumers open two mental accounts, one maintaining a gain via receiving value for the focal product and the other holding a gain by virtue of paying a nominal amount of money. However, the tie-in product is so cheap that consumers may regard this product as essentially free. Therefore, when consumers regard the second product as a free gift, the IRP also rise as a result of the advertised selling price.

Finally, the third promotion, namely, "buy two, get 50% off" inherently implies a purchase precondition to purchase two units to receive the reduced price (Sinha and Smith, 2000). Although consumers may also receive a gain of value for the focal product of this purchase, the precondition of purchasing a second product to reduce the price also reduces the consumer's perceived gain. Thus, consumers are likely to open one mental account, wherein they code one gain in the focal product's value with a small loss of payment for the tie-in product. Consequently, the advertised selling price is probably split to decrease the IRP.

Two studies were conducted using 3 (promotional frames) between-subjects experimental design. In study 1, 146 undergraduate students were randomly assigned to one of three conditions. We simulated shopping situations experimentally, and then let the consumers use real money (NT$100) to purchase scarves (priced at NT$99), which as also served as their "thank you" for participation in a study

of product quality examination under different promotional frames. After the shopping process, we forced all participants to divide their price perceptions of the promotion frames into two mental accounts by asking them to sell back the scarves one by one to the experimenter. This enabled us to detect their IRP separately for the focal and tie-in products under different promotional frames. In study 2, all procedures above were repeated, excluding bundles providing different items (i.e., pitchers and chopsticks each priced at NT$79). 107 undergraduate students participated in study 2.

Results showed that when bundled with the similar products, consumers perceived "buy one, get one free" as two mental accounts, since their IRPs for focal and tie-in products were different (Mean$_{(focal)}$=99.66 vs. Mean$_{(tie-in)}$=75.96, t=-2.873, p<0.05). In addition, consumers perceived the highest IRP under the "buy one, get one free" frame. By contrast, the "buy one, and the second one is only $1" frame (Mean$_{(focal)}$=65.58 vs. Mean$_{(tie-in)}$=57.30, t=-0.519, p=0.61) and the "buy two, get 50% off" frame (Mean$_{(focal)}$=75.33 vs. Mean$_{(tie-in)}$=59.76, t=1.763, p=0.09) were perceived as only one mental account. However, when different products were included in the bundle, the "buy one, the second one is only $1" frame was perceived as two mental accounts (Mean$_{(focal)}$=69.23 vs. Mean$_{(tie-in)}$=43.58, t=5.477, p<0.05). Further, the IRP of the focal product was highest in the "buy one, the second one is only $1" frame, followed by "buy one, get one free", and "buy two, get 50% off".

The investigation of the IRP of the focal product shows that consumer perceptions are influenced by not only the promotional frames but also by the bundled components. When the focal and tie-in were similar products, "buy one, the second one is only $1" and "buy two, get 50% off" seem to be coded as one mental account. That is probably the result of both frames providing discounts linked to price directly, since consumers probably categorize them as price-off promotions (Sawyer and Dickson 1984). Further, since consumers may integrate the price reduction after a "% off" and "$1" but not after an extra-product promotion, they perceive the highest IRP of focal product in the "buy one, get one free" frame.

When the bundle consists of different products, the "buy one, the second one is only $1" frame is perceived as two mental accounts. Because the tie-in product is different from the focal one, the IRP of the tie-in product is less easily computed. Hence, most consumers ignore the insignificant payment of NT$1(about 3 US cents) and regard the tie-in product as an extra, free product. Our studies reveal that the "buy one, the second one is only $1" frame may pull down the IRP of the focal product of the bundle if the products are similar, but not if they are different. Our research shows that marketers should be careful when manipulating bundle promotional frames and take composition of the bundle into consideration when accounting for consumer responses.

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# Examining Advertising Practitioners' Ethical Considerations and its Implications for Consumer Welfare

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Past research indicates that literature on advertising ethics has neither adequately addressed the range of problems faced by practitioners (Hunt and Chonko 1987) nor those by consumers (Treise, Weigold, Conna and Garrison 1994). Little work has been done in consumer research to address decision makers'—that is, advertising practitioners'—beliefs about ethical dilemmas (exceptions include Drumwright and Murphy 2004; Hunt and Chonko 1987; Moon and Frank 2000). In fact, advertising ethics seems to have largely eluded consumer researchers (Hyman, Tansey and Clark 1994).

However, one issue that has arisen as significant in popular and scholarly discourse and through efforts in feminist literature (Kilbourne 1999; Bordo 1993; Wolf 1991) is that of gendered stereotyping in advertisements, and specifically its implications for women. These discourses, generally portraying women as a "vulnerable" audience, draw from a history of gendered expressions of the marketplace (Bristor and Fischer 1993; Hirschman 1993; Ramsay 1996; Schroeder 1997; see also Baker, Gentry and Rittenburg 2005 for a discussion of boundaries of vulnerability). Within the framework of consumer theory, vulnerability is not associated with maleness or male consumers as a category. These dialogues, focusing on female vulnerability but neglecting male responses have affected not only the practices of the advertising industry, but also ethical determinations of those practices.

Recent research has demonstrated men compare themselves to advertising ideals and may experience feelings of inadequacy and vulnerability (Tuncay 2006). Yet, no research to date specifically considers how or *if* advertising practitioners identify ethical dilemmas that involve male consumers.

## Methodology

To investigate how advertising practitioners conceptualize the impact of advertising on consumers, particularly males, a qualitative approach consisting of interviews, focus groups, and field observations was used. One of the researchers was allowed access to a large advertising agency in the U.S. where she was fully immersed in the day-to-day operations of a team of advertising professionals working on a brand targeting men. The researcher conducted formal and informal interviews, as well as focus groups with a total of 20 individuals working in a broad range of agency functions. During the interviews, informants were asked "grand tour" questions (McCracken 1988), as well as focused questions on how advertising impacts consumers. For purposes of anonymity, neither the sex of the informant, nor his/her job title are attributed to informants' quotes. To analyze the data, both researchers sought emergent themes in the text while also referring back to the literature, a process called dialectical tacking (Strauss and Corbin 1998).

## Findings

Our data revealed evidence of "moral myopia" or a "distortion of moral visions that prevents moral issues from coming into focus" as discussed by Drumwright and Murphy (2004, p.7). For example, one informant reflected a "going native" attitude, stating while he/she found some ads offensive, "I push them through because that's my job, my loyalty is with [the client]." However, while our findings resonated with past research, a new type of moral myopia was illuminated.

*Women as a Protected Audience/Men as an Immune Audience:* While several informants were concerned about how advertising portrayed women, there was little recognition that men were impacted by advertising depictions. For example, during a creative review, an ad script was read in which a joke was made about a woman. Immediately after, both the female researcher and female practitioner were consulted to ensure the ad was not offensive or demeaning.

Such consideration was not given to men. While negative representations such as "womanizer" and "stupid dad" were mentioned by informants, many felt men were not significantly impacted by them. During one interview, an informant acknowledged that while men may feel "a little bit of pressure" to fulfill ideals portrayed in advertising, he/she stated, "I feel like the female side of it's a little bit stronger," and that men "put it on themselves." Another informant stated that men would not likely be impacted by or be offended by ads, "…if women see even themselves objectified in advertising? that maybe would cause a stronger aversion to something than if men… [had] been picked on." When probed by the researcher, he/she stated, "Maybe its just gender differences." Thus, while men were often seen as immune to the influence of advertising, when this impact was recognized, it was often discounted. Informants also discussed relatively narrow gender portrayals of men in advertising. One informant stated, **"…**if some boy…says something that's not in man code, they get made fun of. So there's definitely…defined roles that I think males play in advertising but then also in culture…"

## Discussion

Thus, women were discussed as an audience who needs protection while men were deemed to be immune to the negative impact of advertising. Moreover, male role portrayals seemed to be strictly defined by practitioners and required adherence to a "man code." These findings reflect broader cultural and gender discourses in American society. Societal ideals about gender suggest that men are powerful, show little emotion, and should be resistant to pain (Harris 1995; Lindsey 1997) while women are passive (Scott 2005). Moreover, other researchers have discussed the conflicting and restricting notions of masculinity in advertising and in broader cultural discourse (Firat 1994; Pleck 1981).

In contrast to Drumwright and Murphy's (2004) findings of widespread moral myopia, we observed a prevalent concern among practitioners about how women are impacted by ads. However, this consideration did not extend to men. From a theoretical perspective, this research questions the constructions of vulnerable audiences, an issue with important repercussions on advertising practice and regulatory measures as well as public perception. Just as with women, men are impacted by ads (Tuncay 2006), and limited portrayals restrict the roles that men experience in their own lives. However, a positive implication of the results indicates that advertisers are responsive, even if slowly, to popular and scholarly discourse about advertising images' implications; and, as Drumwright and Murphy noted, advertisers can be successful while at the same time ethically cognizant. This responsiveness suggests an opportunity for consumer researchers to take an active role in addressing constructions of audience vulnerability and influencing consumer welfare.

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# The Activation-Striving Model: When Will the Same Prime Lead to Goal Activation and When Will It Lead to Trait Activation?

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Environmental cues can have nonconscious effects on behavior through activation of either goal or non-goal representations. According to the automaticity literature, goal activation has behavioral effects that increase over time until the goal is fulfilled (Bargh et al 2001). Conversely, priming of associational, non-goal constructs such as traits and stereotypes leads to behavioral effects that tend to diminish over time, as the impact of the prime fades out (Bargh 1997).

Despite this crucial distinction, the question when exactly the same environmental cue activates a goal and when it activates a non-goal, such as a trait, has remained a mystery. The literature has by and large compromised for ex-post indicators: namely, if behavioral effects of priming persist and manifest after a delay then the activated construct was a goal, but if the effects dissipate quickly then the activated construct was a trait (e.g., Chartrand et al, forthcoming).

Furthermore, studies often feature surprisingly similar priming manipulations that seem to lead to stereotype activation in some cases and to goal activation in other cases. For example, unscrambling words related to rudeness led to trait activation in Bargh et al (1996), but unscrambling words related to frugality led to goal activation in Chartrand et al (forthcoming). The growing recognition that nonconscious effects play a significant role in consumers' daily experiences (e.g., Dijksterhuis et al 2005) renders this theoretical shortcoming especially disturbing.

The present research directly addresses this deficiency by exploring the antecedents of goal vs. non-goal activation, leading to temporally-escalating vs. temporally-diminishing behavioral effects, respectively. We propose a theoretical framework, the activation-striving model, which integrates the distinctive features of goal and non-goal activation processes and leads to testable hypotheses about the motivational and attentional antecedents that moderate the activation of goals vs. traits.

The activation-striving model hinges on the notion of self-discrepancies (Higgins 1989, Custers and Aarts 2005), namely, the perceived discrepancy between the activated concept and one's actual state. Recent findings (Custers and Aarts 2005, 2007), suggest that such self-discrepancy is necessary for the activation of the motivational drive associated with goal pursuit. According to the activation-striving model, a self-consistent prime is likely to lead to stronger initial activation of associated constructs because it is consistent with one's self-schema (Markus 1977), which acts as a perceptual filter. On the other hand, a self-consistent prime is less likely to lead to goal activation, resulting in initially-strong but temporally-diminishing effects. Conversely, because self-inconsistent primes by definition do not match self-schemata, their initial activation is weaker than that of self-consistent primes. However, a self-inconsistent prime is more likely to instigate motivational striving and lead to temporally-escalating effects.

The activation-striving model thus captures the tradeoff between strong initial activation without motivational striving, resulting in temporally-diminishing effects, and weaker initial activation with motivational striving, resulting in temporally-escalating effects.

STUDY 1 examined the effect of match vs. mismatch between specific attributes and people's respective self-perceptions, on the pattern of activation. 120 participants were asked to reflect on their own behavior when buying consumer electronics and to rate themselves, on a 1-7 scale, as either frugality-oriented or luxury-oriented in that domain. Following an unrelated filler task, they were asked to complete a word recognition task in which they were briefly exposed to words related either to frugality or to luxury. Thus, each participant was exposed either to a self-consistent prime or to a self-inconsistent prime. Finally, half the participants were immediately asked to choose between luxurious and frugal brands of sound systems. The other half first completed a neutral 5-minute delay task and only then was asked to choose between the luxurious and frugal brands.

**FIGURE**
Prime-consistent choice as a function of delay and prime-reg. focus congruence
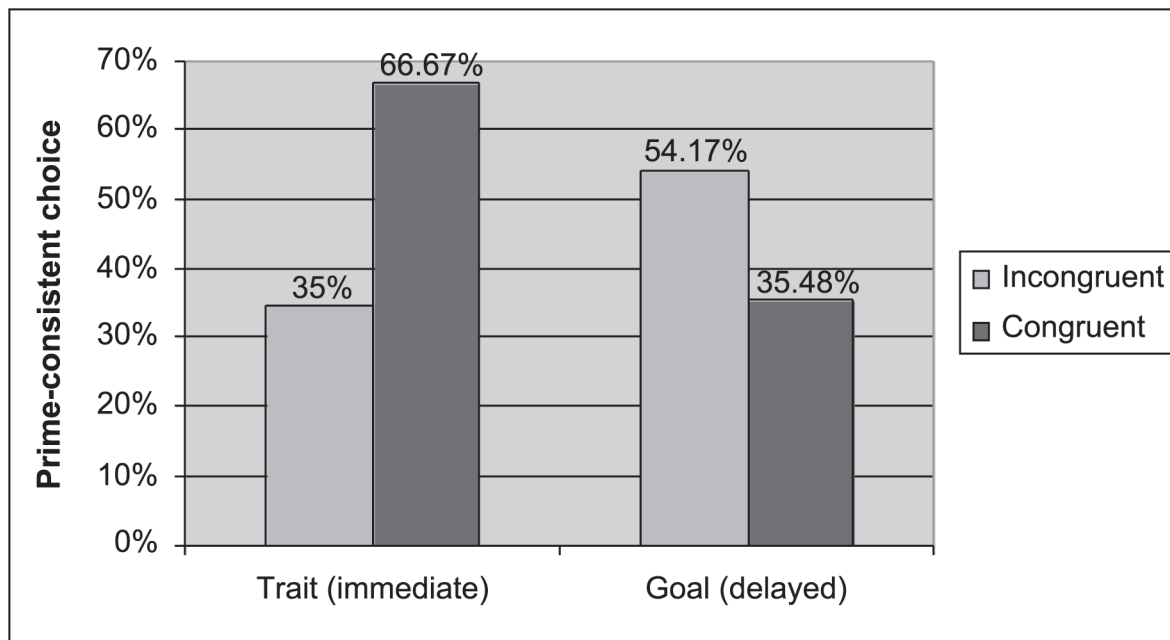


Consistent with the activation-striving model, participants were more likely to choose the prime-consistent option after a delay (reflecting a goal activation pattern) when the prime was inconsistent with their self-rating ($p<.046$). Conversely, participants were more likely to choose the prime-consistent option without a delay (reflecting a trait activation pattern) when the prime was consistent with their self-rating ($p<.042$).

STUDY 2 constituted a conceptual replication of study 1. However, instead of measuring self-ratings on specific attributes, in this study we measured people's chronic regulatory orientation (prevention vs. promotion). In a pretest, 227 participants rated frugality as consistent with the values one is ought or obliged to have (i.e., prevention-consistent) and luxury as consistent with the values one hopes or aspires to have (i.e., promotion-consistent). Regulatory focus thus serves as a proxy, in this study, for personal orientation on the frugality-luxury continuum.

In the study, we examined the effect of congruence between prime and regulatory-focus on goal vs. trait activation using a 2 (congruence: congruent vs. incongruent) x 2 (measurement: immediate vs. delayed) design. 96 participants completed a selves-questionnaire (Higgins 1987), which provides a measure of people's regulatory orientation (prevention vs. promotion). Following an unrelated filler task, they were asked to complete a sentence-unscrambling task in which they were primed with words related either to frugality (prevention) or to prestige (promotion). Thus, each participant was assigned a binary prime-regulatory focus congruence score. Finally, participants in the immediate condition were asked to choose between prestigious and frugal brands of socks. Participants in the delayed condition were first asked to complete a neutral 5-minute filler task and then asked to choose between the prestigious and frugal socks.

Consistent with the activation-striving model, participants were significantly more likely to choose the prime-consistent option after a delay (thus reflecting a goal activation pattern) when the prime was incongruent with their chronic regulatory orientation ($p<.038$). Conversely, participants were significantly more likely to choose the prime-consistent option without a delay (thus reflecting a trait activation pattern) when the prime was congruent with their chronic regulatory focus ($p<.048$). Regulatory focus did not interact with the other predictors (see graph).

Taken together, these studies support the activation-striving model, which fills a crucial gap in understanding why subtle environmental cues can sometimes lead to such theoretically and behaviorally divergent effects.

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# Is the Internet a New Eldorado for Counterfeits?

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This research explores to what extent reputation and type of retailer affects consumer's evaluation and purchase intention of original goods, counterfeits and imitations in the luxury industry. In the last decade, the counterfeit phenomenon passed from a handcrafted and regional stage to an industrial and worldwide one, accounting for 5-9% of world trade and representing losses around 200-300 billon euros (Guillemin 2006). One of the factors responsible for this rapid evolution is the possibility to buy counterfeits over the Internet, as around 30% of counterfeit items seized within the European Union come from this distribution channel (Ducourtieux 2006). Although several scholars (e.g. d'Astous and Gargouri 2001; Warlop and Alba 2004; Eisend and Schuchert-Güler 2006, de Matos et al. 2007) studied counterfeits and imitations, past research remains scarce concerning the effects of retailer type.

In this research, we distinguish original products from counterfeits (strict and less expensive copies of genuine products (Kay 1990), designed to *be like* the original) and from imitations (designed "to *look like* and make consumers *think of* the original brand", d'Astous and Gargouri 2001, 153). According to Penz and Stöttinger (2005), products with a high brand image and low production technology are the preferred targets of counterfeiters. The luxury industry is therefore particularly adapted for this study.

Our main proposition resides in the influence of type of retailer on consumers' attitude and buying intention of originals, counterfeits and imitations. First, we investigate consumers' attitude toward originals, counterfeits and imitations and examine which factors generally hinder a consumer from buying a counterfeit or an imitation. Then, we examine to what extent distribution channel may moderate buying intention or potential factors hindering the purchase. The effects of personal variables like innovativeness, risk aversion or integrity are included in the research, in order to characterize the counterfeit buyer.

Therefore, our first research question concerns the way consumers perceive counterfeits and imitations compared to original products. By describing counterfeits as products that offer good value for money (Grossman and Shapiro 1988) and "satisfy buyers' appetite for symbolic meanings" (Dubois and Duquesne 1993, 37), consumers may buy counterfeits for labels (logo, brand) or design characteristics which are themselves valuable for them (Tom et al. 1998). The second research question refers to factors that could hold back a consumer from purchasing counterfeits. Is it the same to buy a counterfeit on a market during holidays or to buy it on a website? Therefore, type of distribution channel and trust in the seller may interfere in the purchasing process of counterfeits and imitations on the Internet. Previous research already explored the role of retailer type, but concentrated mainly on shopping malls and flea markets (Bloch et al. 1993; Cordell et al. 1996; Tom et al. 1998).

Our final research question handles with personal characteristics. Can we say that a person buying counterfeits or imitations is less risk averse, more brand conscious or less integer?

**Research methodology and results of two exploratory studies**

Two exploratory studies with identical designs were carried out to experimentally test the possible mechanisms at play. The three stimuli of the experiment were composed of a scenario and an illustration (visual/semantic) describing one of the three studied type of products. Respondents were asked to rate their prior attitude toward the brand (Sujan and Bettman 1989), their attitude toward the product in the scenario and their purchase intention. Manipulation checks indicated that counterfeits and imitations were perceived as having different levels of similarity compared to the original product. In addition, we asked respondents to rate eight items which could possibly hinder their purchase of the evaluated product. These items were chosen based on a literature review and on personal considerations emanating from the authors.

In the first data collection, 62 undergraduate students evaluated two brands (handbags, polo shirts) and 79 undergraduate students in the second data collection evaluated two out of three brands (handbags, polo shirts and watches) from the luxury industry. For both studies, results indicate that attitude toward original products, counterfeits and imitations is different (*Study 1: $M_{original}$*=4.44, $M_{counterfeit}$=3.75, $M_{imitation}$=3.11, $F(1,102)$=7.38, $p$=0.01; *Study 2*: $M_{original}$=5.90, $M_{counterfeit}$=3.23, $M_{imitation}$=2.69, $F(1,125)$=87.31, $p$=0.01). Planned contrasts reveal a significant difference between originals/imitations and counterfeits/imitations for the first study and between the three types of products for the second study.

Multiple regression analyses with purchase intention as a dependent variable were performed in order to determine which of the eight pre-selected items could hinder a consumer to buy either a counterfeit or an imitation. Results indicate that, in the first study, external aspect of the product was of particular importance for consumers in determining not to buy counterfeits ($R^2_{adj.}$=.255, $\beta$=-.505, t=-3.463, $p$<.01) and imitations ($R^2_{adj.}$=.191, $\beta$=-.460, t=-3.192, $p$<.01). In the second data collection, legal issues influenced negatively intention to purchase counterfeits ($R^2_{adj.}$=.231, $\beta$=-.498, t=-3.814, $p$<.01). For imitations, the image perceived by others during purchase appeared to be a stumbling block for purchase intentions ($R^2_{adj.}$=.237, $\beta$=-.503, t=-3.951, $p$<.01).

**Discussion and next step**

These two studies tried to enhance knowledge concerning evaluations of original products, counterfeits and imitations in the luxury industry. Originals and counterfeits were repeatedly rated more positively than imitations. And as results suggest, counterfeits are not always evaluated more negatively than original products. In addition, they provide significant insight into key variables managers ought to carefully consider in their struggle against the rising dark side of the luxury industry. Results indicate that not only legal aspects play a role in consumers' purchase decisions of counterfeits and imitations. Luxury products are bought much more for what they represent (Nia and Zaichkowsky 2000; Penz and Stöttinger 2005). Thus, the external aspect of a counterfeit is of great importance.

The next step of our research consists in a new experiment, including four different types of distribution channels and personal variables in order to describe more precisely the counterfeit buyer. As trust in seller or store affects directly consumers' attitude toward this entity, influencing in consequence purchase intentions (Jarvenpaa et al. 2000; Lim et al. 2006), screen shots of three different types of websites (original vs. well known vs. unknown) and an illustration of a market are used to construct the experimental stimuli. We are talking more precisely about cognitive-based trust which is "developed based on rapid, cognitive cues or first impressions" (Lim et al. 2006, 236). In fact, on the Internet, first impression is largely based on interface and design features of the website. The main contribution lies in the identification of *who* buys counterfeits and through what channel much more than *why*.

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# International Festivals: Reverse Acculturation or the Peddling of Ethnicity

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Every year thousands of people attend festivals all over the United States. Indeed many cities pride themselves with the diversity of festivals that they have in their city. It is one of the marks of cultural diversity of an area. Why do individuals attend these festivals? This research was conducted to examine the reasons why people attend international festivals. The International Festival that was the focus of this research occurs over a three day period and draws over 20,000 participants every year. Research efforts have concentrated on understanding the consumption behavior of individuals from many different lands, yet there has been a paucity of research seeking to understand why natives of a given country choose to attend international festivals.

Reverse acculturation might be the reason why individuals attend these festivals. In a recent study Chen (1997) examined the concept of reverse acculturation among Anglo-Americans. Chen (1997:18) defined reverse acculturation as "a process in which Anglo-Americans acquire values, attitudes and behavioral patterns via direct and or indirect contact with people from cultural origins other than their own." It has been suggested that the level of reverse acculturation will vary by individual since some individuals may enthusiastically accept influences from other cultures while others may resist. As such Chen (1997:19) conceptualized reverse acculturation on a continuum from multiculturalism to monoculturalism.

The oldest model of acculturation or assimilation was developed by Gordon (1964). Marketing researchers have examined levels of assimilation or acculturation and the impact on consumer behaviors (Mehta and Belk 1991, Penaloza (1994). Berry (1980) developed a model that examined the level of acculturation that was based on the responses to two questions: a) whether the immigrant wanted to retain their original culture and b) the immigrant's desire to have a good relationship with the dominant culture. The responses to these questions result in acculturation strategies ranging from a) assimilation, rejection, separation and integration. Cross-cultural psychologists have shown that immigrants who want to have the best mental health follow an integration strategy. Research has shown that rather than assimilate, many immigrants integrate or separate themselves. Thus, the analogy for the United States has moved from that of a melting pot to a salad. This is because U.S. immigrants have retained enough of their original culture, and are thus, as discernible as a cucumber would be in a salad.

Many immigrants retain their original culture and consequently, they can share this culture through their participation in cultural festivals. In the United States the dominant population has slowly embraced multiculturalism. This embracing of the "other" has led to the de-ethnicization of products such as bagels, salsa etc. Another way of experiencing the "other" is through participation in ethnic/ cultural activities such as the festival that is the focus of this research. Values guide our behavior, and as such one's attitude towards new experiences is crucial in determining their acquisition of foreign modes of behavior.

To develop the measurement instrument, 50 written interviews were conducted with individuals who had attended the festival. Two different coders analyzed these written interviews to identify the main motivations for attending the festival. A survey was developed and pre-tested. Respondents were asked to indicate their level of agreement to questions such as: [My decision to attend the festival was most influenced by: ethnic food, ethnic merchandize, learning about other cultures etc. We also utilized the uniqueness: desire for unique consumer products (DUCP scale) developed by Lynn and Harris (1997). This is an 8 item scale and sample scale items include: I am very attracted to rare objects etc. Cronbach's α test for reliability of DUCP scale was α 0.85. We also used the Multi-item measures of Values (MILOV) scale, excitement dimension developed by Herche (1994). This scale measures level of agreement to such items as: I consider myself a thrill-seeker etc. This scale has a reliability of 0.72 and our scale was also reliable and had α coefficient of 0.79.

650 surveys were collected over a three day period by students from a local university. The festival organizers promised the respondents the opportunity to win a gift certificate to a restaurant, bookstore etc. In order to vary the type of respondents, the data was collected at varying times during the festival. Preliminary findings indicate that individuals attend these festivals to experience the "other." The decision to attend the festival was mostly influenced by Ethnic foods (91.1%) Ethnic Drinks (73.6%), Dancing (76.7%) Ethnic Merchandize (63.5%), Learning about other cultures (78.7%). Only 24.3% of the respondents indicated that they were members of the participating organizations/cultural groups. Word of mouth was found to be the most important in learning about the festival. T-test results indicate that there were significant differences in the motivations to attend the festivals by gender. For example, women were more interested in the ethnic merchandize than the men. (t=4.473, p-value <= 0.05). Some interesting findings with regards to the desire for unique products as well as the thrill seeking were also found.

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# Language Domain Effects on Bilingual Advertising

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In recent years there has been a greater focus on bilingual research in marketing journals. This research has focused on various bilingual linguistic phenomena such as the impact of code switching on ad persuasion (Luna and Peracchio 2005), to the influence of how different languages are processed on recall and attitude of advertising (Tavassoli and Lee 2003). In Koslow, Shamdasani, and Touchstone's

(1994) research, U.S. Hispanics' response to the use of the Spanish language in advertising was investigated. Their research found that the positive effects of Spanish language, or minority subculture language, in advertising could be partially explained by the sociolinguistic theory of accommodation. The theory of accommodation predicts that "the greater the amount of effort in accommodation [using the language of the listener] that a bilingual speaker of one group was perceived to put into this message, the more favorably he would be perceived by listeners from another ethnic group, and also the more effort they in turn would put into accommodating back to" the speaker (Giles, Taylor, & Bourhis 1973 p.177). Koslow et al. (1994), using the theory of accommodation, found that the use of Spanish language not only has an impact on a Hispanic individuals message comprehension, but also communicates a message about the advertiser's sensitivity to the Hispanic culture. This sensitivity to the Hispanic culture can result in a significant and positive influence on the individual's attitude toward the advertisement (Koslow et al. 1994).

Koslow et al.'s (1994) research supports advertiser's attempt to target linguistic minorities by translating advertising messages into the linguistic minority's native language. A potential moderator of Koslow et al.'s (1994) findings is the presence of the language appropriateness indicated by the language domain framework. Currently there is no language domain research on the effectiveness of bilingual advertising. This paper examines the appropriateness of a language in different multilingual situations.

The framework of language domains is based on a corpus of sociolinguistic studies that observed bilinguals in various multilingual speech communities around the world (e.g., Hoffman 1971; Barker 1975; Scotton 1979; Nishimura 1992; Goebel 2005). Through observation of various multilingual speech communities, a theory was established that language use in multilingual settings is not random. By observing the interactions of multilinguals in different speech communities, ethnographers were able to uncover underlying patterns that repeatedly emerged and dictated the proper use of a language at particular times and places surrounding particular topics.

The language appropriateness that corresponds to a particular topic area is a result of many different factors, such as bilinguals having learned how to deal with a topic in a particular language, a language's lack of specialized terms for a particular topic, or simply because the use of a certain language would be considered strange or inappropriate for discussion in that language (Grosjean 1982). It is important to note that the reason for a particular language to be more appropriate than another may simply be a result of certain languages having been traditionally used when discussing a certain topic. This would suggest that the bilingual has learned from an early age to deal with a certain topic in a certain language. This indicates that there is probably a greater accessibility of a particular language over another with which a bilingual can discuss a certain topic in. It may be the case that the bilingual knows more vocabulary in a particular language surrounding a topic area, or that the bilingual uses particular words more often in one language over another. These situations will result in a greater ease and comfort in discussing a topic in one language over another.

Since the appropriateness of a particular language is so ingrained into a multilingual that it is chosen unconsciously with no extra time or effort (Grosjean 1982), the choice process may be an automatic process of which the bilingual is unaware. The corpus of language domain research would indicate that, for print ads dealing with certain topic areas, there is a particular language that is more appropriate than others.

The empirical study shows the impact of the language domain framework on advertising. The hypothesis of this study is that when ad language is congruent with language domain factor of topic area, the ad evaluation would be higher than when ad language is incongruent with language domain factor of topic area. This study had a 2 (language: Spanish or English) x 2 (Topic area: Work or Family & Friend) between-subject design. Language and Topic area were between-subjects factors. Every subject was presented with the same number of advertisements: three advertisements from the target topic areas and the remaining advertisements were practice and filler ads. The order of the filler and target advertisements in the questionnaire was varied. Ad evaluations were collected on a 7-point six item scale, where higher scores meant more favorable evaluations (Luna and Peracchio 2005). The ad evaluation index yielded a two-way interaction between Language and Topic area (F (1, 52)=11.889, p<.01). These results confirm the expectations, that when advertisements focused on the topic Friends and Family, the Spanish language ads were evaluated higher than the same ads in English (Friends & Family ad, Spanish, M= 4.647 vs. Friends and Family ad, English, M= 3.769 F (1, 26)=6.775), p<.05). Also, confirming expectation when the topic area of Work used, the English language ads were evaluated higher than the same advertisement in Spanish (Work ad, English M= 5.207 vs. Work ad, Spanish M= 4.659 F (1, 26)=4.945, p<.05).

One plausible explanation for these results could the accessibility of these words in one language over another. Future studies will hopefully show that there is an increased accessibility for a particular content area in a particular language. This increased accessibility for a particular content area in a particular language could then be resulting in an enhanced processing fluency. This enhanced processing fluency will result in a more favorable attitude toward the target (Lee 2004). Since individuals usually cannot distinguish clearly between the different sources of affect they may be experiencing at any given time, they may misattribute their current mood to the object they are judging (Schwarz and Clore 1983, 1996). The results then equate to a preference for the ad with the increased accessibility.

This study contributes to the consumer behavior research by bringing to light the fact that each multilingual speech community has language domains that dictate the proper use of each language. This article also contributes to the field of sociolinguistics in showing that language domain norms are not just verbal, but also transfer to the written language as well. Most of the sociolinguistic research in this area relied on observational studies with little to no experimental research. This study adds further validity to the prior research in language domains as well as showing the impact that these language domains can have on liking of an advertisement.

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# The Morphing Self: Changing Self-Concept as a Response to Threats

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Reminders of mortality regularly appear in the media where consumers are exposed to death counts from events such as 9/11 or Hurricane Katrina. Research on Terror Management Theory (TMT; e.g., Greenberg, Pyszczynski and Solomon 1986) that focuses on how people respond to death related information has shown that such information significantly influences individuals' actions, thoughts and emotions. In consumer research it has been shown that when mortality salience (MS) is high individuals tend to over-consume, engage in conspicuous consumption, risky behavior, and spend more money (e.g., Arndt et al. 2004; Bonsu and Belk 2003; Ferraro, Shiv, and Bettman 2005). Additionally, threats to the self can elicit reactions that resemble MS effects (Burris and Rempel 2004). While research provides insight into the impact of MS threats on product acquisition and consumption, it has not considered the implications of threats on the retention of possessions which consumers consider part of their extended self. Thus, in the present research we explore the possibility that in the face of symbolic threats, consumers will reconstruct their self-identity (i.e., morph the self into a recreated self) through the use of their possessions. We also test whether the tendency to morph the self when threatened is moderated by two individual differences: self-esteem and materialism.

The self is not permanently defined but rather evolves over time. Changes of the self occur naturally, but also arise during stressful life events such as death or divorce. This process of identity reconstruction is described by the concept of rites of passage (van Gennep 1960) consisting of three stages: separation (disentanglement from a social role), transition (adaptation and change to fit a new role), and incorporation (integrating the self with the new role). One way individuals shape their new identities is by the products they consume (e.g., Pavia and Mason 2004; Price, Arnould, and Curasi 2000). Indeed, possessions are important for expressing a person's self because they represent memories and feelings that link people with their historical identity (Belk 1988). For example, following a divorce a woman might dispose of a once sacred Mickey Mouse watch that was related to a fun/dependent self-identity in exchange for a new Rolex that conveys a new identity as a strong, independent woman. In the present research we predict that when people are exposed to a threat they will attempt to redefine the self through the possessions they consider a part of their immediate identity. They will do this by both distancing the self from possessions once considered a central part of their identity and drawing possessions once considered to be an extraneous component of the self closer.

Following TMT we expect that this effect is moderated by self-esteem and materialism. First, according to TMT, high self-esteem individuals are able to protect their self-evaluations, as their self-esteem can serve as a buffer against self-threatening information (Harmon-Jones et. al. 1997). We expect that low self-esteem individuals will have a stronger tendency to morph the self in the presence of a MS threat compared to consumers with high self-esteem. Second, TMT predicts that MS should lead to increased efforts to live up to the standards of value from which self-esteem is derived. High material values are defined as the use of possessions to judge the success of others and oneself, the centrality of possessions in a person's life, and the belief that possessions and their acquisition lead to happiness and life satisfaction (Richins and Dawson 1992). Given this we expect that people high in materialism should be more likely to redefine their self-concept by shifting possessions when MS is high, whereas tendencies to redefine the self through possessions are not expected to differ for those low in materialism regardless of whether a threat is present or not.

The first study was conducted to explore the notion of the morphing self. The study was administered in two parts. During the first session participants either completed the threat or control topic manipulations following previous research (e.g. Goldenberg et al. 2005). The threat was a MS threat, a gender identity threat, or a social comparison threat. After completing a distracter task they were given a piece of paper on which nested circles were printed, the innermost circle labeled "SELF" and subsequent rings labeled "A" to "H", described as elements in a participant's life ranging from "very closely related to your self" to "not at all related to your self". Participants were asked to place as many possessions as they could think of into the drawing, taking into account how closely related to their self they considered the possession. The dependent variable was the distances between the center of the circle and the cross that marked the

placement of each of the possessions. One week later, participants completed the manipulation they were not assigned to during the first session, distracter task and dependent measure (i.e., circle task).

Results revealed that participants facing a threat placed possessions they considered closely related to their selves further away from the self as compared to the control condition. In contrast, possessions that under the control condition were placed far away from the self were placed significantly closer to their self in the threat condition. This effect generalized across all three types of threat.

In the second study we explored the moderating role of self-esteem and material values. This study followed the same procedure with two exceptions: only one threat was used and participants completed both a self-esteem (Rosenberg 1965) and material values (Richins and Dawson 1992) scale. The effect of the morphing self was qualified by both individual difference measures. Participants who were both low in self-esteem and high in materialism used possessions to redefine their self-concept when MS was high (as compared to absent) to a greater extent than participants high in self-esteem and low in materialism.

In general, the results indicate that the presence of a threat can pose a significant challenge to consumers' self. One way consumers respond to a threat is to redefine the current self through product acquisition and disposition decisions.

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# A Bibliographic Survey of Experiential Consumption Research

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Two and a half decades have passed since Hirschman and Holbrook (1982; Holbrook and Hirschman 1982) detailed the nature of experiential consumption. The experiential perspective emphasizes the study of consumption phenomena, and consumers' hedonic responses during consumption and usage experiences. This view suggests that subjective experience, product meaning, and consumer emotions are intrinsic to consumption. In particular, the experiential perspective is concerned with consumption episodes that consumers engage in for fun, enjoyment, and leisure. It is particularly well suited for studying the consumption of experiential products such as movies, concerts, and sporting events. More importantly, more businesses these days are trying to make conventional product use more like entertainment experiences rather than merely meeting functional requirements. Understanding how to create and shape consumer experiences is essential in today's marketplace, regardless of product category. There is a great urgency to better understand experiential consumption in marketing practice. But after 25 years, what do we know about experiential consumption?

The current research reports the results of a bibliographic analysis of the two seminal articles on hedonic or experiential consumption produced by Hirschman and Holbrook (1982; Holbrook and Hirschman 1982). The analysis enhances our current understanding of hedonic consumption by providing a taxonomy classifying research that has emanated from these two articles. Citation and abstract information was extracted from three major databases and organized thematically using a word-based statistical analysis and visualization software. Based on 599 total articles that cited one or both of the articles, our initial analysis yielded 24 content groups. Titles and abstracts for each of the computer-generated groups were examined and subsequently classified into one of ten thematic areas.

Each of the ten thematic areas was then further divided based on whether the article was premised on a hedonic or experiential theme, or whether the article merely referenced the seminal article(s) but was actually focused on a broader marketing or consumer behavior issue. The former group was referred to as core themes and the latter as supportive themes. Six of the ten thematic areas were classified as core

themes and included articles pertaining to (a) hedonic and utilitarian value, (b) experiential products, (c) shopping, (d) ritual and symbolic consumption, (e) multisensory stimuli, and (f) qualitative methodology. The supportive themes was comprised of articles related to (a) hedonic choice, (b) buyer behavior, (c) service experience, and (d) advertising.

The core theme articles are considered to be the ongoing conversations that distinctly define hedonic and experiential consumption research. A solid base of research aimed at the differentiation and measurement of hedonic and utilitarian value support the initial conceptualization of hedonic consumption and forms the basis of subsequent research in hedonic choice and service experience. Consistent with the original propositions regarding product classes, a substantial body of research has accumulated regarding experiential products that include vacation and travel, performing arts, entertainment, and high culture products.

Surprisingly, shopping was highly represented in the literature citing the two seminal articles. Shopping occupies a boundary position in that it is both an experiential activity and an antecedent to product purchase. Shopping topics include shopping motives, hedonic shopping value, satisfaction, and retail experience and satisfaction. Contexts for shopping include malls and retail outlets, mail catalog shopping, and online shopping. Also included in this group of articles are the dark-side consumption topics of uncontrolled, compulsive, and addictive shopping habits.

Ritual and symbolic consumption represents a significant and unique contribution to experiential consumption research. Ritual consumption is rich with social and life meanings (Rook 1985). Articles in this group are associated with conspicuous or lifestyle consumption. Symbolic consumption, on the other hand, is more focused on the relationship between a consumer and a target object or experience (Fournier 1991; Mick 1986). Further, social and self-identity were inextricably associated with ritual and symbolic aspects of consumption (Meng 2005; Richins 1994). Included in this theme are articles detailing the dark-side consumption topics of gambling and addiction.

A predominance of postmodern and qualitative methodologies was also strongly represented in research originating from Hirschman and Holbrook (1982; Holbrook and Hirschman 1982). Techniques designed to study hedonic consumption include hermeneutics, semiotics, and ethnography. Grounded theory was the basis for many of the studies in this category. Many of these methods were useful for understanding subjective and symbolic meaning, but also echoed the original limitations noted by Hirschman and Holbrook (1982) about inadequate empirical methods that would be needed to study many imaginal or subjective aspects of hedonic experience. Finally, multisensory research was greatly underrepresented in this area of research within consumer research.

The four supportive themes provide a conduit from hedonic research to theory and application in consumer behavior and marketing. In many instances, hedonic value was used as an affective predictor of choice, intentions and decisions, behavior, and ultimately linked to satisfaction. It is evident in this group of articles that hedonic and experiential consumption research has direct application to service, retail, and advertising. Services are experiential products by definition and thus highly relevant to service management and marketing. Similarly, the experiential nature of the retail experience was also well represented by articles in this category. Interestingly, no discernable pattern was found for advertising articles citing the two seminal articles by Holbrook and Hirschman.

Finally, we examined the research gaps based on the original propositions posited by Hirschman and Holbrook. Progress has been made on all substantive areas and propositions stipulated by Hirschman and Holbrook (1982), albeit progress has been unevenly distributed. Looking forward, our understanding of consumers would benefit with a greater research emphasis on multisensory stimuli and emotive post-purchase processes related to ownership, usage, and disposition.

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# When Images and Words don't Agree, Images Win: the Shielding Effect of Imagination on Attitude Change

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Imagine a consumer who comes across an imagery-provoking critique portraying the excellent attributes of a new restaurant and, after having spent some time mentally savouring the elegant atmosphere and the delicious food of the restaurant, finds a customer survey rating the restaurant as a wretched 3 out of 10 stars. How would the consumer use the two contradictory pieces of information to arrive at an overall evaluation of the restaurant?

One approach to resolve the inconsistency between contradictory evaluations of the same target is to weigh each argument and express a judgment that takes into consideration each piece of information (e.g., Anderson 1971). We expect that integrating contradictory pieces

of evidence processed through distinct mental codes (i.e., pictures and numbers) is more difficult than integrating equivalent pieces of information processed within the verbal code (i.e., different ratings of the same product). We suggest that this greater difficulty, in turn, makes the inconsistency between the two evaluations more salient, thus motivating a consumer to favour one of the two arguments. Since mental imagery generally leads to greater message-relevant elaboration than verbal processing does (Kisielius and Sternthal 1986) and greater elaboration increases the strength with which an attitude is held (e.g., Haugtvedt and Wegener 1994; Petty, Haugtvedt, and Smith 1995), we propose the existence of a "shielding effect" of imagination to indicate that attitudes generated through mental imagery, compared to those derived from information processed through the verbal code, are more resistant to contradictory analytically-presented information.

We test this hypothesis through a 2 (type of information: imagery-analytical vs. analytical-analytical) x 2 (presentation order: positive-negative vs. negative-positive) between-subject experimental design. Sixty-five (37 females, average age=20.27 yrs) participants were presented with an evaluation of a restaurant, supposedly made by a food critic, unexpectedly followed by a second evaluation of the restaurant, supposedly made by five customers of the restaurant whose age happened to range between 50 and 60. The food critic's review was presented either in an imagery-provoking (i.e., vivid critique preceded by imagery instructions) or in an analytical format (i.e., ratings of the restaurant along different dimensions preceded by instructions to be careful and well-reasoned), whereas the second evaluation was presented always in an analytical format.[1] The order in which positive and negative information was presented was also manipulated; in one condition the food critic's review was positive and the customer survey was negative and vice versa. A pre-test conducted on 69 participants from the same population as the main study, revealed that, given the valence of the review, the evaluations of the imagery and analytical versions were statistically indistinguishable ($M_{imagery\_positive}$=7.39, $M_{analytical\_positive}$=7.66; $t_{27.5}$=1.00, p=.326; $M_{imagery\_negative}$=2.43, $M_{analytical\_negative}$=2.97; $t_{30}$=1.51, p=.143). After being exposed to the first message, participants were asked to describe the images (thoughts) experienced while reading the food critic's review and answer few questions about them; self-reported evaluations of the extent to which participants imagined (thought) what it would be like to be in the restaurant were used as a measure of message-relevant elaboration. Finally, before reporting their attitude toward the restaurant on a semantic differential scale ($\alpha$=.96), participants were shown again both evaluations on the same page. In all cases, we used 9-point items.

Results from ANOVA showed a significant main effect of presentation order ($F_{(1,59)}$=12.91, p<.001) and a non-significant main effect of type of information ($F_{(1,59)}$=1.09, p=.300) qualified by a significant interaction ($F_{(1,59)}$=4.21, p=.045). When the first evaluation was presented in an analytical format, presentation order had only a minor effect on attitude ($M_{analytical\_pos/analytical\_neg}$=5.59; $M_{analytical\_neg/analytical\_pos}$= 5.06; contrast: $F_{(1,59)}$=1.27, p=.265), whereas the effect was significant when the first evaluation was imagery-provoking ($M_{imagery\_pos/analytical\_neg}$=5.93; $M_{imagery\_neg/analytical\_pos}$=3.99; contrast: $F_{(1,59)}$=14.97, p<.001). The finding that the effect of the imagery-provoking review was stronger in the negative than in the positive condition might be explained by the fact that, although statistically indistinguishable, the imagery provoking review, compared to the analytical one, was evaluated somewhat more negatively in the negative condition and slightly less positively in the positive condition.

To investigate whether elaboration mediated the interaction effect between type of information and presentation order on attitude (mediated moderation), we followed the procedure proposed by Muller and colleagues (2005) which requires testing three regression models. The first model showed that the type of information/presentation order interaction effect on attitude was significant (est.=.35, p=.045). The second model showed that the effect of type of information on elaboration was significant (est.=.54, p=.046), whereas the effects of presentation order and the type of information/presentation order interaction were non-significant (all p's>.26). Finally, the third model showed that, controlling for the effects of elaboration (est.=.04, p =.668) and the marginally significant effect of the elaboration/ presentation order interaction (est.=.16, p=.0795), the effect of the type of message/presentation order interaction on attitude became non-significant (est.=.28, p=.122). Sufficient conditions to demonstrate mediated moderation entail that the effect of type of message on elaboration and the elaboration/presentation order interaction effect on attitude are significant and the effect of the type of information/ presentation order interaction is significant in the first but not in the third model (Muller et al. 2005). In this view, the analysis provided preliminary evidence that elaboration moderated the effect of the information type/presentation order interaction on attitude.

Although much attention has been paid to the effect of mental imagery on decision-making, little is known about the strength of attitudes generated through mental imagery; we address this gap in the literature by proposing that mental imagery increases attitude resistance to contradictory analytically-presented information. In addition to replicating the present findings, future research should address more specifically the mechanisms (e.g., generation of counterarguments, attitude accessibility, etc.) underlying this effect and whether the order in which different types of information are presented affects the final judgment.

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[1]The restaurant review created by Pham end colleagues (2001) was used in the imagery-positive condition, whereas a modified version of the rating scheme proposed by Petrova and Cialdini (2005) was used in the analytical-positive condition. Although the consumers' surveys and the analytical reviews provided the same evaluation of the restaurant's attributes, the former did not present further details about each rating (e.g., atmosphere: intimacy and elegancy). Since all descriptions included meat dishes, observations from two vegetarian participants were not included in the analysis.

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# Accessibility and Availability: The Role of Prior Preferences in Judgment Formation

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It is well established that consumers who are psychologically invested in a desired outcome tend to exhibit biased recall and to overpredict the probability of the desired outcome. (Markman and Hirt, 2002). In a brand evaluation context, the present research investigates further the role of motivational biases in judgment formation based either on accessibility experiences or on generated cognitive content. We show that prior opinions are an important moderator in predicting a person's choice between these sources of information.

An increasing number of studies in psychology and marketing indicate that the ease with which information comes to mind may influence judgments. A typical finding is that participants perceive a person or an issue more favorably when they are asked to think of a small as opposed to a large number of reasons in support of their inference. For example, Wänke et al. (1997) reported that a BMW car was rated as more attractive when respondents were asked to think of 1 rather than 10 reasons to drive it. Such findings are seen as evidence that judgments are based on the perceived ease (or rather difficulty) of reason-generation and therefore referred to in the literature as "ease of retrieval" phenomena.

However, several studies identified a number of conditions, related to expertise, knowledge and involvement under which people are more likely to draw on the content of the information retrieved than on "the ease of retrieval" experience in forming a judgment (see Schwarz, 1998, for a review). Notably, employing the car brand evaluation paradigm by Wänke et al. (1997), Tybout et al. (2005) show that brand familiarity moderates the diagnosticity of the "ease of retrieval" experience. They replicate the findings of Wänke et al. (1997) when consumers are moderately familiar with the target brand (BMW) but observe the opposite pattern for a less familiar brand (Hyundai) with consumers giving less favorable ratings when asked to think of 1 rather than 10 reasons to drive a Hyundai.

We suggest that preformed judgments may moderate a person's tendency to rely on the subjective retrieval experience. In previous studies, the effect of prior judgments on the target topic has not been considered explicitly. For instance, Biller, Bless and Schwartz (1992) asked subjects to estimate the percentage of Germans who suffer from chronic diseases and, similarly, Winkielman, Schwarz and Belli (1998) asked participants to evaluate how well they remembered certain episodes in their childhood. In both examples, subjects had no clear prior judgments about the topic and had to construct them as part of the experimental task. However prior preferences for brands and companies are inherent to our marketing environment and their effect needs to be taken into account to understand effectively when consumers rely on the accessibility experience and when on the generated cognitive content.

Our tenet is that prior judgments and preferences moderate the diagnosticity of ease of retrieval: With a positive prior opinion about the target brand (i.e. BMW) consumers may consider the subjective experience of reason-generation as diagnostic probably due to the contrast effect between their appreciation for the brand and the experienced difficulty of generating a long list of reasons. However, in conditions with a less positive prior opinion, the difficulty of generating a large number of reasons favoring the brand may already be expected. Now consumers may experience a different type of contrast effect resulting from the difference between their low prior opinion and the accessibility of many reasons favoring the brand.

In Study 1, we disentangle the effects of (1) familiarity and (2) valence of prior judgment in the context of brand evaluations. As a pretest, hundred and twelve students from McGill University indicated on a 10-point scale their prior opinion as well as their familiarity with the features of 22 car brands. We selected 4 car brands and formed a 2x2x2 between-subject design with high/low familiarity, high/low prior preference for the brand and "1 and 10 reasons to be generated" for driving the target brand. Hundred ninety-seven students from the same population participated in the experiment. After generating 1 or 10 reasons, they evaluated one of the 4 target brands on seventeen 10-point, bipolar items forming a one-factor scale ($\alpha$=0.83). The results provide support for our hypothesis and indicate a similar pattern of evaluation for the two liked brands-BMW and Lamborghini. Consumers rated them more favorably when asked to think of 1 ($M_{BMW\_1}$=8.73, $M_{Lamborghini\_1}$=7.45) than of 10 reasons - $M_{BMW\_10}$ 10= 7.58, ($F(1,44)$=54.23, $p$<.001) and $M_{Lamborghini\_10}$=6.77 ($F(1,47)$=32,69, $p$<.001), The reversed pattern however is observed for less-liked brands-KIA and Isuzu. Consumers rated them more favorably when asked to generate 10, $M_{KIA\_10}$=5.45 and $M_{ISUZU\_10}$=5.03, than 1 reason(s) in their favor $M_{KIA\_1}$=4.26 ($F(1,48)$=26.32, $p$<.001) , $M_{ISUZU\_1}$=4.14 ( $F(1,50)$=71,83, $p$<.001).

In Study 2, we intend to investigate further the generalizability of the findings by manipulating the strength of the prior opinion. We conjecture that consumers with well-defined rather than diffuse prior opinions are less likely to be influenced by the experienced difficulty in generating a large number of reasons. Furthermore, we expect that when consumers have a very strong opinion, the number of reasons they are asked to generate does not affect their judgment formation. Preliminary support for this hypothesis is provided by the results of Haddock (2002) in the context of a study on subjects' attitude towards a political leader (Tony Blair). The favorability ratings of politically interested participants (with a supposedly strong preformed opinion) were unaffected by the number and type of assessed attributes, whereas participants with more diffuse positive prior opinions rated Blair more favorably when they had assessed either a small number of positive or a large number of negative attributes.

We conclude that considering prior opinions about a brand is vital for marketers since the same response process (i.e. reason-generation) may lead to the opposite result depending on the prior preference for the target brand. With a prior positive attitude, consumers tend to perceive the subjective experience as diagnostic, whereas for a less-liked brand, consumers tend to rely more strongly on the generated cognitive content. In both cases we may be observing an updating of consumers' preferences reflecting contrast effects caused either by the unexpected difficulty of the task to generate a high number of reasons favoring a highly liked brand or by the accessibility of a long list of reasons favoring an a priori less-liked brands.

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# Perhaps it Would be Better if Materialistic Birds of a Feather Did Not Shop Together: Materialism, Accountability, and Luxury Brand Consumption Experiences

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### Introduction

Considerable scholarly effort has been directed toward understanding the causes and consequences of materialism. For example, prior work suggests that family dynamics (Rindfleisch et al. 1997) as well as television programming (Shrum et al. 2005) and advertising (Buijzen and Valkenburg 2003) contribute to the development of materialistic values. Extant research also links the possession of materialistic values with compulsive consumption and reduced well being (Rindfleisch et al. 1997; Burroughs and Rindfleisch 2002).

As materialistic values tend to result in negative consequences for consumers, an important transformational research question is: to what extent do situational factors encourage (or discourage) the expression of materialistic values? If factors that encourage (or discourage) the expression of materialistic values can be identified, then it may be possible to devise efficacious tactics for improving consumer welfare. Drawing on accountability theory from psychology (Sedikides et al. 2002; Tetlock 1999), we posit that the expression of materialistic values will be moderated by expectations about the conveyance of social status by others.

### Conceptual Framework

Materialism has been defined as "the importance ascribed to the ownership and acquisition of material goods in achieving major life goals or desired states," (Richins 2004, p. 210). For materialistic individuals, product consumption provides a path for obtaining happiness and status (Richins and Dawson 1992). Based on this conceptualization, materialistic individuals can be expected to exhibit greater positive emotions as a consequence of acquiring luxury brands than non-materialists, as materialists should be more likely to perceive themselves as obtaining affluence and elevated social status from luxury brand consumption.

The notion that materialistic individuals perceive the consumption of luxury brands as a means for status enhancement suggests that status enhancement expectations will play a key role in the expression of materialistic values. It also suggests that situational factors that affect such expectations may moderate expressions of materialism. Based on this rationale, we sought to identify factors with the greatest potential to impact status enhancement expectations. One such factor is accountability.

Sedikides et al. (2002, p.592) define accountability as "the expectation to explain, justify, and defend," and also show that it deters self-enhancement through identifiability. To predict how accountability will affect status enhancement expectations, it is important to note that status is a social construct. In other words, status must be conferred by others. Therefore, if a materialist believes that others will be impressed with the purchase of a luxury brand and validate its status-elevating properties, then he or she should anticipate a wellspring of positive emotions. On the other hand, if a materialist believes that others will view his or her attempt to gain status through luxury brand consumption as invalid, then he or she should expect a muted consumption experience. Based on this logic, we hypothesize:

*H1a*:  As materialistic values increase, accountability to a like-minded peer will amplify positive emotions generated from luxury brand consumption.

*H1b*:  As materialistic values increase, accountability to a non-materialistic peer will attenuate the experience of positive emotions generated from luxury brand consumption.

## Methods

A two-part study was utilized to test our hypotheses. In part I, participants (N=95) completed a survey that included a measure of materialism (Richins and Dawson 1992), and several unrelated measures. In part II, participants completed an ostensibly separate computer-based experiment. The experiment utilized a simple one-factor design, including three levels of accountability (accountable to a materialistic peer, accountable to a non-materialistic peer, and a no accountability control condition).

To provide a plausible cover-story for manipulating accountability, all participants were asked to describe themselves in terms of their group memberships, favorite activities, and career aspirations. Those in experimental conditions were then told they had been randomly matched by the computer with a peer and given a description that suggested that the peer was materialistic (e.g., they wanted to be an investment banker or consultant) or non-materialistic (e.g., they wanted to do economic development in Africa). They were also informed that they would have to "explain, discuss, and defend" their subsequent responses to the peer at the end of the experiment.

Participants in all conditions were asked to indicate the extent to which they would expect to experience positive emotions if they had just purchased two luxury brands-Prada and Gucci (4 items, ?'s=.90 and .93). After completing these measures, participants in the experimental conditions were informed that they would not be required to actually justify their decisions "due to insufficient time."

## Results

*Manipulation check*. Peer impressions items were included in the experimental conditions as manipulation checks. As desired, the description of a materialistic peer produced perceptions of an interaction partner who was more career-oriented and caring about money and image than the non-materialistic partner (*M*=6.01 v. 3.02, p<.01). In contrast, the non-materialistic partner was seen as more concerned about the environment and making the world a better place (*M*=6.50 v. 4.44, p<.01).

*Main study*. Regression analyses were utilized to examine the effects of materialism and accountability on luxury brand consumption emotions. Scores for the two brands were summed to serve as dependent variables. Dummy coding of experimental conditions was utilized, with the control group serving as the reference group. Interaction terms were mean centered.

The analysis of positive emotions detected a significant main effect of materialism, qualified by significant interactions with both the materialistic peer (p<.05) and non-materialistic peer justification conditions (p<.05). Inspection of the interaction coefficients revealed support for H1a and H1b, as materialism was positively related to the experience of positive emotions in the materialistic peer accountability condition and negatively related to the experience of positive emotions in the non-materialistic peer condition.

## Discussion

Consistent with the notion that status elevation expectations play an important role in the expression of materialistic values, we find that the relationship between materialism and the experience of positive emotions from luxury brand consumption is moderated by accountability. When participants believed that they would be accountable to a materialistic peer, materialism enhanced the expectation of experiencing positive emotions from the purchase of luxury brands. In contrast, when participants believed that they would be accountable to a non-materialistic peer, materialism reduced the expectation of experiencing positive emotions. One potential implication of our findings is that who a materialist goes shopping with may make the difference between unbridled spending and relative thrift. Shopping with a like-minded (dissimilar) other seems likely to encourage (discourage) the expression of materialistic values.

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# Much Ado about Nothing: Avoiding Products Because of the Negative Impressions They Never Create

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Individual behaviour is often motivated by self-presentation or impression management concerns (Tedeschi 1981). Impression management involves controlling personal expressions and behaviors in order to influence the opinions and responses of others (Leary 1995). Research in marketing has shown that personal possessions affect observers' impressions (Gosling et al. 2002) and that consumers will strategically buy and display products for this reason (Burroughs, Drew, and Hallman 1991). Recent work has also shown that consumers will avoid products that might cause them to be perceived as members of dissociative reference groups (White and Dahl 2006).

The current work extends the existing literature in two ways: first, by demonstrating that product attitudes and willingness to pay are importantly influenced by the extent to which products help consumers achieve or avoid certain impressions; second, by investigating the validity or accuracy of impression management concerns. We show that consumers tend to overestimate the extent to which products are likely to create an undesired impression, as evidenced by a discrepancy between their impression of other consumers using a particular product and their own beliefs about the impression they would create using the same product.

## Study 1

Study 1 explored whether impression management concerns influenced product evaluation and willingness to pay. We chose an item that was likely to be used in public (an MP3 player) and manipulated its color to evoke impression management concerns. Specifically, we predicted that when the product was offered in a feminine color, men–but not women–would worry about the impression it conveyed.

### Method

Ninety-eight students (47 men, 51 women) participated in a 2 (product color: pink vs. black) x 2 (gender) between-subjects factorial design. Participants placed bids in an actual auction for either a pink or a black MP3 player. To ensure participants bid their true willingness to pay (WTP), the auction winner paid only the amount tendered by the second highest bidder. After placing sealed bids, participants completed a survey to assess product attitude ($r$=.81), liking of the color, and the extent to which they would be concerned about using the product in public (impression management concerns, $\alpha$=.91).

### Results

There were significant interactions between product color and gender on all dependent variables ($F$'s(1, 94)=19.34, 10.44, 21.98, and 45.53, $p$'s<.01). Men bid less for the pink player ($M$'s=\$41.20 vs. \$84.43; $F$(1, 94)=22.54, p<.001), liked it less ($M$'s=1.27 vs. 2.13; $F$(1, 94)=12.38, $p$<.001), liked the color less ($M$'s=.25 vs. 2.48; $F$(1, 94)=44.62, $p$<.001), and were more concerned about their impression ($M$'s=1.29 vs. 2.95; $F$(1, 94)=73.17, $p$<.001). No differences were significant for women ($F$'s<1). Mediation analyses (Baron and Kenny 1986) of the men's results found that the effect of product color on WTP was mediated by impression management concerns (product color–WTP: $\beta$=.52, $p$<.001; product color and impression management–WTP: $\beta$'s=.08 and .58, $p$>.66 and p<.001), but not liking of the color (product color and liking of color–WTP: $\beta$'s=.35 and .22, $p$'s=.09 and .29). Identical effects were found for attitudes.

## Study 2

Study 2 examined the accuracy of consumers' impression management concerns by comparing their beliefs about the impression they would create using a product to impressions of another consumer using the same product.

### Method

Ninety-one students (37 men, 52 women, 2 unspecified) participated in a 2 (product color: pink vs. black) x 2 (gender) x 2 (target: self vs. other) between-subjects factorial design. Participants were told that they would be participating in a study about people's impressions of one another. In the "self" conditions, participants saw an MP3 player (embedded in a variety of other products) and rated what they thought other people would think of them if they were seen using this product. In the "other" conditions, participants saw a picture of a male in a gym setting who happened to be wearing an MP3 player. The MP3 player was either pink or black. All participants completed two items ($r$=.53) designed to assess the positivity of the impression they thought they would convey [their impression of the other person], as well as ratings of how masculine and feminine (reverse scored) they thought they would be perceived [they perceived the other person] ($r$=.46). All items were embedded in a general trait assessment inventory.

### Results

The general impression measure showed the predicted three-way interaction ($F$(1, 81)=6.98, $p$<.01). Men, but not women, thought they would be perceived significantly less positively wearing a pink player ($M$'s=2.08 vs. 3.35; $p$<.001). However, both men and women's impressions of the other person were unaffected by the color of the player (overall $M$=3.71). A significant color x target interaction ($F$(1, 81)=10.65, $p$<.01) on the masculinity/femininity measure demonstrated that both men and women thought the color of the MP3 player would have a stronger effect on others' perceptions of them than it did on their own perceptions of another person. In short, both men and women appeared to overestimate the impact the color of the player would have on others' perceptions of their masculinity/femininity. Only men, though, believed this would have a negative impact on others' perceptions. Importantly, there appeared to be no basis for such concern, given that impressions of a third party were unaffected by the color of the MP3 player.

## General Discussion

The current work demonstrated that consumers' desire to avoid creating a particular impression exerted an important influence on their attitudes and ultimately their willingness to pay for a product. Consumers' concerns, however, appeared to be somewhat unwarranted. Both men and women overestimated the impact the product would have on the impressions they created. In the current context, these

impressions (i.e. femininity) were considered most undesirable by men. Interestingly, neither men's nor women's impression of another person were affected by the very product men sought to avoid.

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# Assessing Consumer Reaction to New Product Ideas: Does it Matter Where You Live and How Old You Are?

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At a certain moment, when a new product is introduced into a market, sales increase rapidly (the takeoff point). Prior research shows that the patterns of new product take off and time to takeoff vary in different European countries and across product categories (Tellis, Stremersch, and Yin 2003). This prior research suggests that so called brown goods take off faster than white goods and that cultural characteristics such as need for achievement, industriousness and uncertainty avoidance partly explain these differences in takeoff patterns. We build on this work by studying how individual level cultural variables and age affect how people respond to new product ideas.

We address this problem by categorizing new product information in two different ways. One way to categorize product information is to separate factual information from emotional information. Companies can launch their product by providing comprehensive factual information or by attaching features of the product to emotional benefits.

According to socioemotional selectivity theory, as people age, regulating feeling states becomes more important than priorities such as acquiring knowledge (Carstensen 2006). As a result, older adults prefer and have better recall for emotional information than factual information, whereas younger adults prefer and have better recall for factual information than emotional information (Fung and Carstensen 2003; Williams and Drolet 2005). What has not been tested is whether older adults will actively seek out emotional vs. factual information. Based on their research, we predict that older adults will search for emotional information about product attributes, while younger adults will search for factual information about product attributes.

Another way to categorize product information is by the type of goals the product can help consumers achieve. Consumers with a promotion orientation are concerned about achievements and winning, whereas consumers with a prevention orientation are concerned about security and not losing (Higgins 1997). Product information can be categorized in the same way. Promotion information highlights achieving desirable outcomes (e.g., toothpaste that whitens your teeth) whereas prevention information emphasizes avoiding undesirable outcomes (e.g., toothpaste that prevents cavities; Wang and Lee 2006). Consumers are not only more persuaded by information that is compatible with their orientations, they are also more likely to actively seek out compatible information (Wang and Lee 2006). As people age, they shift their regulatory orientations. Elderly adults are more likely to adopt a prevention orientation whereas younger adults in general take on a promotion orientation (Lockwood, Chasteen and Wong 2005). Therefore, we hypothesize that elderly adults will search for prevention information and younger adults will search for promotion information.

From a theoretical perspective, a key contribution of our research is how consumers' age interacts with both information content (factual vs. emotional) and information orientation (promotion vs. prevention) in determining willingness to purchase a new product. We divide information into four categories—factual promotion information, factual prevention information, emotional promotion information, and emotional prevention information.

Although our hypotheses suggest that older adults will favor emotional prevention information, while younger adults will favor factual promotion information, there is ambiguity about how each age group will related to factual prevention information or emotional promotion information. Specifically, although younger adults prefer factual promotion information, they may not respond well to factual *prevention* information. Similarly, whereas elderly adults prefer emotional prevention information, emotional *promotion* information might not engage them. In such situations where information content and information orientation are competing, we hypothesize that the cultural influence, in the form of chronic regulatory focus, will break the tie.

Chronic regulatory focus varies across cultures. In particular, North American consumers have a chronic promotion orientation, whereas East Asian consumers have a chronic prevention orientation (Aaker and Lee 2001; Briley and Aaker 2006). We hypothesize that consumers' chronic orientations will dominate the information content when information content and information orientation are competing, such that promotion oriented consumers, such as those typically found in North American, will prefer emotional promotion information (even if they are young) and prevention oriented consumers, such as those found in East Asia, will prefer factual prevention information (even if they are elderly).

One hundred and thirty seven US undergraduates participated in Study 1. They read definitions of factual vs. emotional information and then completed a quiz to make sure they understood the difference. Participants could not advance the program until they answered

all the quiz questions correctly. Then they completed a practice task related to toothpaste. On the first experimental task, participants reviewed information about an Innovative MP3 Player. They selected emotional or factual information on six dimensions for a new MP3 like device. Consistent with our predictions, these young people obtained more and spent more time on factual information than on emotional information (Factual Acquisitions 4.62 , Time 14.91 seconds vs. Emotional Acquisitions 3.12, Time 7.39 seconds). Additionally they acquired and spent more time on promotion information than prevention information, although these differences were not significant.

Study 2 has a 2 (age group: young vs. old) x 2 (culture: American vs. Chinese) x 2 (information content: factual vs. emotional) x 2 (information orientation: promotion vs. prevention) mixed factorial design. In this study, we recruit 150 American consumers and 150 Chinese consumers, half of each group are elderly consumers (average age>60). We match the groups from the two countries by several demographic variables such as age and gender. Participants select information for different products (a practice task, a new type of multi-function cell-phone, mp3 player and a new form of mutual fund). For each product, they can select factual or emotional information on both prevention and promotion dimensions. The dependent variables are the content and orientation of information selected, the time spent reviewing each type of information and participants' attitude toward the innovative products. Covariates include participants' age, cultural orientation, chronic regulatory focus and product familiarity. At the conference, we will present preliminary results of this study.

Theoretically, we will learn to what extent age and culture affect consumers' preference and search for information about really new products. Managerially, the older market is an important new segment as a significant proportion of population is entering this segment. Finding ways to position new products to this segment is important to the success of many companies. In addition, our research helps companies adjust the positioning of their innovative products across cultures. Note that existing research does not suggest how consumers respond to emotional promotion and factual prevention information. Culture plays a key role here because we predict that consumers' chronic orientations will dominate information content when consumers process information on new products. Without our cross-cultural results, implications on these two types of information are unclear.

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## Power and Donation: Does Perceived Power Decrease or Increase Charitable Contribution?

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The psychology of power has long been of interest for psychologists and economists (e.g., Bierstedt, 1950; Kipnis, 1976; Winter, 1973; Browne, 2006). Recently, researchers started to systematically study the role of power in decision making. For example, having power increases the tendency to approach and decreases the tendency to inhibit, i.e. people with power are more likely to notice rewards and less likely to perceive threats (Anderson/Berdahl, 2002). High power people are also more inclined to take risks (Anderson/Galinsky, in press). In addition, research focuses on the negative effects power evokes in people, namely that the powerful only focus on their own interests and desires and are not interested in others (Fiske, 1993; Kipnis, 1972). It has also been found that the powerful are less capable of experiencing empathy, i.e. they are not able to correctly adjust to others' perspectives. Apparently, the powerful do not fully comprehend how other people see, think and feel (Galinsky et al., 2006). Galinsky et al. state in their paper that perspective taking has been associated with altruism and helping behavior whereas power is typically related to malfeasant social behaviors.

In the current paper, our question is whether perceived power leads to increased or decreased charitable contribution. The answer is not ready from the existing literature. On the one hand, the sense of power may lead people to believe that they themselves can help more. This might be driven by the perceived resources they have at their disposal (Keltner et al., 2003). That is, perceived power leads to believe that they themselves have more resources available to help others, thus donate more to others. On the other hand, research has shown that power leads to less empathy and perspective taking (Galinsky et al., 2006), which presumably would lead to decreased charitable contribution. In the current paper, we hypothesize that the sense of power leads to higher self focus, which includes two aspects. First, consistent with literature, the sense of power leads to less empathy and perspective taking, and thus leads to less sympathy toward a suffering victim. Second, it also makes people focus more on external stimuli which potentially can bring positive return (e.g., make

them happy) to them. Based on the above mentioned reasoning, we predict that 1) high power people donate less to suffering subjects (rather than less suffering subjects) than low power people do; 2) high power people donate more to attractive subjects (rather than unattractive subjects) than low power people do. We tested these predictions in three studies.

In study 1, subjects were first shown pictures of attractive and unattractive children from Third World countries. We presented them with pictures of 4 children and asked them to freely split a sum of 30 ? to them. These 4 children varied in attractiveness (two attractive ones, two neutral ones), but were hold constant in the suffering dimension. After the allocation task, the subjects were asked to rate themselves on a power scale (Smith et al., 2006). As we hypothesized, the correlation analysis showed that high power people tended to give more to attractive subjects (rather than unattractive subjects) than low power people did.

Study 2 adopted exactly the same procedure as in study 1, but this time they were asked to allocate their donation to children varying only in the suffering dimension, whereas the attractiveness dimension was held constant. Again, our hypothesis was confirmed. That is, high power people donated less to suffering subjects (rather than less suffering subjects) than low power people did.

To establish the causal link, in study 3, we manipulated power by priming subjects with either high or low power. After the priming procedure, they were asked to allocate donations either among a set of children varying only in the attractiveness dimension, or among a set of children varying only in the suffering dimension. Consistent with our hypotheses, comparing to low power people, high power people donated less to suffering children (rather than non suffering children); whereas they donated more to attractive children, rather than unattractive ones.

Overall, these results suggest that whether the perceived power leads to increased or decreased charitable contribution depends on the nature of the subjects they face. Specifically, as we have shown in the studies, high perceived power leads to more donation to attractive subjects but less donation to suffering subjects. These results resolve important controversial predictions based on power elicited resource abundance and power induced (less) perspective taking. The findings also have important implications for marketing practice of fundraising organization. For example, they should segment their potential contributors and provide different types of ads (e.g., attractive versus suffering) to maximize their charitable contributions.

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# Do All-or-Nothing Reference Points Support Regular Savings?

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Do implementation intentions support regular savings? A growing number of studies have demonstrated how the formation of implementation intentions positively influences goal progress (Gollwitzer 1999; Schweiger Gallo and Gollwitzer 2007). Little has been written on the limitations of this method (e.g., Powers, Koestner, and Topicu 2005). In this working paper, we examine another case in which implementation intentions appear to moderate goal progress. We find that committed savers who use implementation intentions to attain a specified savings goal perform significantly worse than do those who did not use an implementation plan. This suggests that implementation plans may have the effect of demotivating committed individuals who seek to implement narrowly specified plans, ultimately resulting in a deterioration of performance toward the goal.

The consumer behavior literature yields a number of explanations as to why implementation intentions may moderate progress toward a savings goal. First, forming all-or-nothing types of implementation intentions set a target that must be met for the effort to be considered a success. Otherwise, it is considered a failure and may discourage subsequent goal progress. Second, people's spending behaviors may have created counterintentional habits that are stronger than implementation intentions. Implementation intentions may not be able to interrupt this negative influence on reaching a savings goal. Third, forming an implementation plan may increase peoples' attention toward their savings behavior. The implementation plan, specifying the target behavior, may heighten a person's self-focused attention. This allows for self-criticism which, in turn, interferes with goal progress. Fourth, people's self-control to act on an implementation plan may be depleted if they set too many goals or they set goals that conflict with their savings goal.

In this working paper, we study participants of a community-based savings campaign. Because the campaign encourages regular, at least monthly savings deposits, we can infer that achievement of the savings goal is considered difficult to implement by the participants.

Similarly, we can also safely assume that participants in the past experienced self-control problems in achieving their savings goals. Thus, they might be particularly anxious about their performance within the savings campaign.

Two frameworks are currently developed to explore whether an all-or-nothing reference point moderates the impact of implementation intentions on achieving a savings goal. First, we use an implementation intention manipulation to assess the interaction of these plans with savers' income. We are examining whether implementation plans motivate higher income individuals to save more than those with lower incomes. The second framework adds savers' goals and time horizon to assess monthly goal progress. Together, the dynamics of pursuing a savings goal suggests the following testable hypotheses: (1) Participants who form implementation intentions concerning when, how, how much, and from what source of income they will deposit money into their savings accounts will be more likely to save more the higher their income than participants who do not form such intentions. (2) Participants with shorter time horizons to reach their savings goal will be more likely to respond to implementation intentions than those with longer time horizons. (3) Participants who form implementation intentions will save in a manner consistent with their intentions.

Data were generated by a mail survey in fall 2006 distributed to the 599 America Saves campaign participants in a city in the U.S. Midwest. A total of 94 campaign participants completed questionnaires at all three time points: baseline questionnaire, first follow-up four weeks, and second follow-up eight weeks after the baseline questionnaire. Fifty participants happened to be in the treatment group who were asked to form implementation intentions and 44 participants were in the control group.

Following the procedure described in Orbell et al. (1997) and Sheeran and Orbell (1999), the baseline questionnaire assessed intention, attitude, normative belief, perceived behavioral control, and previous behavior. Following Gollwitzer (1993), participants in the treatment group were asked to make implementation intentions specifying when, how, how much, and from what source of income they will deposit money into their savings account during the following month. In the first and second follow-up, participants were asked to indicate whether they intended to deposit money during the past four weeks and whether they actually deposited money into their savings account in the past four weeks. The treatment-group participants were then asked the four open-ended implementation questions.

Preliminary analyses indicate satisfactory scale reliabilities, ranging from .767 to .920 for the Theory of Planned Behavior variables. An ANOVA showed no significant differences between treatment and control groups on preintervention measures of intention, attitude, subjective norm, perceived behavioral control, or previous behavior. These findings indicate that prior to the intervention, the two groups held similar beliefs concerning regular savings. Similarly, there were equivalent proportions of men and women ($F$=1.966, NS), races ($F$=.018, NS), educational levels ($F$=.084, NS), marital status' ($F$=1.155, NS), savings goals (F=1.816, NS), and postal ZIP codes ($F$=1.966, NS) in the control and treatment group. There was no significant difference of age ($F$=.769, NS), income ($F$=.004, NS), and length of participation in the savings campaign ($F$=.548, NS) between the groups. The correlations between past behavior and intention for the two groups showed that past behavior is significantly associated with intentions for the treatment ($r$=.733; $p$=.000) and the control group ($r$=.666; $p$=.000). Both groups had positive intentions, attitudes, subjective norms, and perceived behavioral control. Behavioral intentions were strong in both conditions, with mean scores of 15 on a 3-21 scale (*mode*=21).

We can conclude that both groups base their intentions to save regularly upon their previous savings behavior and that both groups are highly motivated to save regularly. Differences between the groups on the amount saved must, therefore, be attributed to volitional rather than motivational factors. Based on our current timeline, I fully expect that data analysis and discussion of the findings will be completed by the conference in October.

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# Culture, Social Comparison and Responses to Advertising

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With events such as the fall of the Berlin Wall, formation of the European Economic Community and advent of the Internet, the movement of goods, services and people appears to have no bounds. However, in these increasingly global times, it is also evident that all persons have not been created equal. Rather, it has been discovered that individuals from different cultures often think and emote in ways very different from one another. These differences, at all levels of analysis, have been captured in a number of different constructs by researchers hoping to quantify and measure these effects. The goal of this research is to incorporate the three variables of culture, structure and person into one theoretical model via the processes of social comparison. Specifically, it is the aim of this study to ascertain how differences in culture impact the manner in which individuals engage in processes of social comparison with advertisements.

In order to accomplish the objective of this research, two separate, but related studies will be conducted. The first study will seek to ascertain how culture influences information processing (via the process of social comparison) when individuals are asked to compare

themselves with models in an advertisement. The second study will seek to determine if individuals from different cultures vary in the manner in which social comparisons are made.

The first study will attempt to determine if individuals from collectivist and individualistic cultures process social comparison information differently in terms of how an advertisement's content is used to make a comparison. The research of Miller (1984) and Shweder and Bourne (1983) has suggested that individuals from collectivist cultures process information about themselves and others differently than persons from individualistic cultures. Individuals from a collectivist culture are more apt to hold an interdependent view of self and others. By definition, an interdependent view of self is based on a conception of self that is defined relative to one's membership in a collective. As a result, an individual's self-conception is inexorably tied to social roles and functions as well as to the moral responsibilities owed the group. Conversely, in individualistic cultures persons are more apt to hold an independent view of self and others. An independent construal of self is founded on the belief that the self is a unique, autonomous being that maintains an existence outside of the social environment in which it operates. Thus, a person from an individualistic culture is more apt to conceive of self with respect to personal thoughts, feelings, attitudes, etc. In a similar vein, this same individual is likely to conceive of others relative to their unique attributes, characteristics, feelings, etc. Thus, based on an independent view of self, the person is abstracted from social roles and moral responsibilities. Consequently, persons in individualistic cultures typically view the world from a personal vantage point and are more likely to rely on dispositional-based casual explanations. Therefore, unlike collectivists who describe and compare persons by reference to actions, individualists describe and compare persons primarily through means of personality traits (e.g., he is a very mean person.).

Based on the above cultural differences in person and self-conception, there are important implications for how an individual will process information in an advertisement when asked to make a social comparison with the content (i.e. model/models, background setting, product) of an advertisement. We hypothesize that H1) individuals from a collectivist culture will process contextual and relational aspects of an advertisement when making a social comparison with greater frequency than individuals from an individualistic culture; and H2) individuals from an individualistic culture will process trait and dispositional aspects of an advertisement when making a social comparison with greater frequency than individuals from a collectivist culture.

The purpose of the second study is to determine if individuals from different cultures vary in the manner in which social comparisons are made. Based on Festinger's theory, it is being argued that a micro-level theory (i.e. at the individual level of psychological functioning) be extended to incorporate macro-sources of influences (i.e. cultural influences as they are mediated through the social structure's definition of the in-group. Thus, in making the above arguments for cultural differences in self-construals based on variations in the meaning and significance attached to the in-group, there is expected to be cultural variations in the definition of what constitutes a "similar other." Thus, it is likewise anticipated that there will be variations in the amount of attention paid to various sources of social comparison data. Hence, when an individual is exposed to both a culturally-congruous and culturally in-congruous advertisement, the following hypothesis are proposed with respect to attention to social comparison information:

H3:   Individuals with an interdependent construal of self will pay overall less attention to social comparison information when exposed to both culturally-congruous and culturally-incongruous advertisements.

H3a:  Individuals with an interdependent construal of self will pay more attention to social comparison information when exposed to a culturally-congruous advertisement.

H3b:  Individuals with an interdependent construal of self will pay less attention to social comparison information when exposed to a culturally-incongruous advertisement

H4:   Individuals with an independent construal of self will pay overall more attention to social comparison information when exposed to both culturally-congruous and culturally-incongruous advertisements.

H4a:  Individuals with an independent construal of self will pay more attention to social comparison information when exposed to a culturally-congruous advertisement.

H4b:  Individuals with an independent construal of self will pay more attention to social comparison information when exposed to a culturally-incongruous advertisement

The two studies will be implemented with participants from collectivist and individualist cultures respectively. The extent to which attention is paid to social comparison information will be gauged using the Attention to Social Comparison Information (ATSCI) instrument constructed by Lennox and Wolfe (1984). The extent to which a person is motivated by an external versus internal source of influence while engaged in the social comparison process will be measured by assessing internal versus external locus of control.

This paper represents an initial inquiry into how differences in culture impact the manner in which individuals engage in processes of social comparison with advertisements. Results from this research will help further the understanding of the interactions of cultural influences, self-evaluations and information processing.

## The Effect of Brand Personality on Evaluations of Utilitarian Product Benefits

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Since Aaker's (1997) article, more than 30 studies have empirically explored the effects of brand personality on attitudes towards a brand (e.g. Johar, Sengupta and Aaker 2005; Batra and Miles Homer 2004; Aaker 1999; etc). However, most studies have explored the effects on attitudes that serve *social identity* functions. Some studies have included products that primarily serve utilitarian functions, but none have explicitly explored the indirect influence of brand personality on brand attitudes via evaluations of *utilitarian* benefits.

Brand personality associations may include dimensions such as Sincerity and Competence (identified as first and third in terms of importance in Aaker's 1997 study), that are not typically relevant for social identity brand concepts. Rather, these dimensions may be perceived as diagnostic (Feldman and Lynch 1988) for evaluating product functionality, in particular at higher levels of perceived risk.

When consumers feel that uncertainty about whether a product will deliver the expected utility is high–perceived risk increases (Bettman 1973, Dowling and Staelin 1994). Utilitarian products that have significant credence qualities (Darby and Karni 1973) are associated with higher levels of perceived risk. We suggest that under such conditions, consumers may perceive certain brand personality dimensions as diagnostic for evaluating expected utilitarian benefits–specifically those that invoke perceptions of expertise and/or trustworthiness: *Competence* and *Sincerity*.

$H_1$: *In conditions of high (but not low) perceived risk, brand personality affects evaluations of utilitarian brand benefits.*

We further suggest that the degree to which consumers find brand personality information relevant will moderate the effect of brand personality on evaluations of utilitarian benefits.

$H_2$: *The effect of brand personality on evaluations of utilitarian brand benefits is moderated by the perceived relevance of brand personality information.*

**Method**

115 undergraduate students were randomly assigned to conditions in a 2 (perceived risk: high or low) x 2 (strength of brand personality associations: strong or weak) between-subjects design. Subjects were told they would be evaluating a new consumer magazine (fictitious). The uncertainty manipulation was incorporated into an excerpt from this magazine as a product category review. After reading about the magazine and the example product review, subjects viewed an ad containing descriptions of product attributes and the brand personality manipulation.

Based on pretests, electric toothbrushes was selected, as this product was rated as primarily utilitarian, and average on the level of credence involved (3.35 on scale from 1= no uncertainty to 7=great uncertainty).

For the uncertainty manipulation, subjects received one of two product category reviews stating either that i) all electric toothbrushes perform equally well (low uncertainty) or, ii) there are great differences between brands, with some causing serious wear on teeth and gums.

The brand personality dimension *Competence* was manipulated in an ad for the Dentox (fictitious) electric toothbrush. In addition to (typical) product attributes the ads contained a statement informing subjects either that the electric toothbrush was developed by the highly qualified team of researchers at Dentox (strong condition), or that the electric toothbrush was developed by a team at Dentox (weak condition).

*Dependent variables*. Subjects rated the product's utilitarian benefits on three scales (7-point) anchored by very good/very bad, very effective/not very effective, and very gentle/not very gentle. These items were averaged to form an index ($\alpha$=.72).

*Independent variables and moderator variable*. Subjects reported perceived uncertainty involved with purchase of an electric toothbrush on a 3-item scale adopted from Dowling and Staelin (1994) index ($\alpha$=.77). Brand personality (competence) was rated on a nine-item (5-point Likert scale) scale adapted from the Aaker scale. Perceived relevance of brand personality was rated on a single item using a 7-point Likert scale (very relevant–not at all relevant).

Factor analysis of the items used to measure competence revealed that five of the items loaded on a factor closely resembling personal competence, so these five were kept for further analysis as an index of competence. Notably, the four items that were dropped are linked to technical expertise, and had no effect on evaluations.

**Results**

*Manipulation checks*. An ANOVA on the perceived uncertainty index showed a main effect of level of uncertainty ($F(1, 113)$=36.12, p<.001). An ANOVA on the brand personality index showed a main effect of strength of brand personality ($F(1, 113)$=7.99, p<.01).

*Test of H1*. The two-way interaction between perceived uncertainty and strength of brand personality associations on evaluation of utilitarian benefits was significant ($F(1, 113)$=4.57, p<.05). In high risk conditions, evaluations of product functionality were more favorable in response to strong (versus weak) brand personality associations (Ms=4.9 versus 3.9; $F(1, 56)$=31.26, p<.01). In low risk conditions evaluations of utilitarian benefits did not vary significantly as a function of brand personality information (Ms=4.9 versus 4.5). Thus support is found for $H_1$: brand personality affects evaluations of utilitarian brand benefits under conditions of high perceived risk.

**Moderation analysis**

Performing separate analysis of low versus high conditions of uncertainty, we (1) regressed the evaluations of utilitarian benefits on the index of brand personality; (2) regressed the evaluation of utilitarian benefits on the index of brand personality and the perceived relevance of brand personality; and (3) regressed the evaluation of utilitarian benefits on the index of brand personality, the perceived relevance of brand personality, and the interaction between these two (Baron and Kenny 1986). Under conditions of low uncertainty, relevance of brand personality had no significant effect (standardized coefficients; all relevant p-values>.1) However, under conditions of high uncertainty the perceived relevance of brand personality significantly moderated the effect of brand personality on evaluations of utilitarian brand benefits (standardized coefficients; all relevant p-values<.05). Thus support is found for $H_2$.

**Limitations**

This study extends research on brand personality by identifying conditions under which brand personality may *indirectly* affect consumer attitude via utilitarian benefits. However, to improve the generalizability of our findings, further work is needed to identify the potential impact of other brand personality dimensions–e.g. Sincerity. Moreover, overall brand attitude should be included in future research in order to examine both indirect effects and potential direct effects of brand personality.

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# "Want to watch? You've got to pay": The Link between Intrusiveness and Outcomes Typifying the Customer-Firm Relationship

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Individuals' risk appraisal about products and services can be source of unwanted outcomes for firms. Perceived risk can be elicited by different means and can emerge in a myriad of contexts. In particular, this research investigates the causal relationship between intrusiveness as an antecedent of risk and its impact on moderating constructs and relevant outcomes which typify the customer-firm relationship.

According to Rust et al. (1999), risk is an important variable that influences perceived quality which in turn affects individuals' overall satisfaction assessment about a firms' performance (Johnson et al. 2006). In addition to commitment and trust, overall satisfaction mediates the relationship between perceived quality and outcomes such as loyalty (Chiou and Droge 2006), cooperation, future intentions and propensity to leave (Morgan and Hunt 1994; Garbarino and Johnson 1999).

Risk, as epitomized by Dahl, Manchanda & Argo (2001) in the context of disclosure of personal information, is related to the loss of privacy. Additionally, different authors claim that losing control over one's personal information will lead to an increased perception of risk and to personal disclosure avoidance (Culnan, 1993; Zeithaml et al., 2002; White 2004). Throughout the marketing literature, the disclosure of personal information and related problems has been widely discussed (Culnan 1993; Culnan 2000; Hoffman and Novak 1999; Milne 2000; Phelps, Nowak and Ferrell 2000), nevertheless, few authors have addressed the loss of privacy and the risk associated from the perspective of intrusiveness and the intrusiveness perceived by individuals, i.e.: how company activities that are perceived by individuals as intrusive, affect privacy, firm performance and the customer-firm relationship.

Intrusiveness in marketing is considered to have profound implications on customer-firm relationships, as it is considered to be an important variable that triggers individual negative emotional reactions and unwanted outcomes (Aaker and Bruzzone 1985; Ha 1996; Edwards et al. 2002). In the advertisement literature, recent researches proved that intrusive commercials can elicit irritation feelings, less favourable attitude toward advertised products and ad avoidance (Li et al. 2002; Wang and Calder 2006; Edwards et al. 2002). Differing slightly from previous definitions of intrusiveness, in this research it was conceptualized as the act of getting into one's life without permission.[3] Thus considering that intrusiveness, as a result of its nature, could be perceived as affecting a person's privacy and elicit negative emotional feelings which in turn could lead to undesirable outcomes (negative word-of-mouth, customer churning and loss).

As a first step, it was judged important to determine the existence of intrusiveness as conceptualized and assess its global effect on an outcome. Because loyalty is thought to predict buying behaviour, in this first study, perceived intrusiveness by individuals and its global effect over loyalty were sought. A scenario based design was contextualized in a retail environment, following the work of Larson et al. (2005) and Klabjan (2005). The choice seemed appropriate as it provided latitude to manipulate variables such as communication and compensation, and because intrusiveness could be conceptualized in the form of data collection techniques with the correspondent implications (loss of control and privacy).

The study was divided in two tests. The first one aimed ascertaining that different data collection techniques (loyalty cards, video cameras and RFID[4]) could trigger different levels of perceived intrusiveness. Two variables identified for their importance were manipulated: communication (positive: allowing control over personal data, neutral and negative: not allowing control over personal data) and compensation (provided or not).

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[3]Adapted from Encyclopedia Britannica

[4]Radio Frequency Identification

H1: Technologies which allow controlling ones' personal data elicit lower levels of perceived intrusiveness than technologies that do not allow controlling ones' personal data

H2: Individuals perceive the use of technologies as less intrusive when compensation is provided and perceive the use of technologies as more intrusive when compensation is not provided

Using scenarios which combined each of the data collection techniques with a particular communication style (positive, neutral or negative) and compensation, a group of 241 undergraduate students answered the questionnaires. A seven-item scale measuring intrusiveness was adapted from Li et al. (2002). The most significant differences were found when comparing the loyalty card systems communicated neutrally, with RFID communicated negatively ($T$ (3.539), $p = 0.001$), RFID communicated neutrally ($T$ (2.892), $p = 0.006$) and RFID communicated positively ($T$ (2.132), $p = 0.039$). A planed contrast indicated that RFID was perceived as more intrusive than loyalty cards and video cameras ($p = 0.002$). Finally, compensation had a significant effect on the perceived intrusiveness of RFID under neutral communication scenario ($T$ (2.044), $p < 0.05$). These results show clearly that under certain conditions, different data collection methods used by retailers bring about different degrees of perceived intrusiveness in consumers' minds.

Building on the previous results, a second test (on 120 students) aiming to prove the global effect of intrusiveness over loyalty was carried. A 2 X 2 (Loyalty card vs. RFID; compensation vs. no compensation) between subjects ANOVA was performed to measure the effect of the treatments over the degree of loyalty. The loyalty scale from Zeithaml, Berry and Parasuraman (1996) was used to test the following hypothesis:

H3: Individuals elicit lower levels of loyalty when more intrusive technologies are used, compared to higher levels of loyalty when less intrusive technologies are used

H4: When compensation is provided, individuals experience similar levels of loyalty regardless of the technology employed, compared to the levels of loyalty experienced when no compensation is provided

Results sustained the hypotheses as expected. When no compensation was provided, respondents elicited higher levels of loyalty with non intrusive technologies ($M = 3.503$, $SD = 0.812$) compared to the lower loyalty level elicited with an intrusive technology ($M = 2.864$, $SD = 0.944$; $F$ (1,115) $= 8.07$, $p = 0.005$). Finally, a two-way interaction term between the technology used and the compensation type was found ($F$ (1,113), $p = 0.03$), satisfying H4.

The results of this first study are encouraging as they suggest that an effect due to intrusiveness could be lying beneath key moderating construct (overall satisfaction, commitment, trust) and additional relevant outcomes (future Intentions, cooperation). In the near future, a refined series of experiments will be carried including moderating variables (individual characteristics, situational context and company characteristics) over a heterogeneous population.

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# From Luxury to Populence: Inconspicuous Consumption as Described by Female Consumers

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Rising standards of living and increasing consumer product knowledge have given rise to a democratization of traditionally top-of-the-range products, (Bialobos 1991; Sharpe 2002). The result has been a much broader conception by consumers with regard to the concept of luxury. Fiske and Silverstien (2002) note that a $9 million Faberge egg and a $40.00 Victoria's Secret bra are both referred to as luxuries (Faberge being "old luxury" and Victoria Secret as "new luxury").

"Old luxury" conceptions can be traced to Veblen (1899) who wrote that the rich communicate social advantage by buying and, more importantly, displaying luxury goods, their medals of status. Conspicuous consumers can be categorizes as conformists or snobs. Snobs prefer limited products and while refraining from products consumed by many (Dubois, 1993; Leibenstein 1950; Corneo and Jeanne 1997).

In an effort to delineate luxury, Dubois' (1995) found that luxury producers buy into the idea that their customers focus on two attributes of the luxury goods: a) a very high price, in absolute and relative terms, and b) luxury goods have no utility. Subsequently, Dubois et al. (2001) found that French subjects classified luxury goods as expensive, polysensual, with a sense of legend or history, exclusive, aesthetic and superfluous.

Thus, luxury as we have known it, "old luxury" has been defined by snobbish, class oriented exclusivity-goods and services that only a small segment of the population can afford or is willing to purchase. "Old luxury" is the facilitator and result of conspicuous consumption (Veblen 1899). However, "new luxury" includes products for mass-market appeal to consumers across various income and social classes. Our study looks into the phenomena through the eyes of consumers describing their experiences with "new luxury" which we call Populence-popular opulence. To explore how consumers make meaning of Populence, we perform a hermeneutic phenomenological investigation, using in depth interviews in a modified method of Seidman's (1998) three interview structure.

Our interviews yielded two types of information: 1) a first-person description of the participant's history in context and (2) contextual details concerning the participant's lived experience. Products in this study included intimate apparel as well as shoes and accessories. Sixteen women, between the ages of 20 to 28 were interviewed. Stories describing the genesis, evolution, and usage of new luxury brands in the participant's repertoire were elicited. To begin, participants were asked to "tell the story" behind any products under consideration that they were wearing at the time. The remainder of the interviews were driven by participants. We recorded and transcribed interviews and the authors conducted the analysis. Our findings are based on the views, comments, and meaning offered by participants on various consumption patterns, brands and products. Seven categories surfaced which help define and structure the cognitive domain of content. They are presented below.

*Overall superiority*-All of the participants stressed the importance of quality in their purchase decision and attachment processes. This omnipresent characteristic is indicative of Populent goods offering a high level of quality, much higher than conventional middle-market goods and often higher than "old luxury" goods. Participants who consume Populent undergarments expect the product to be free of faults of manufacture and assembly and to perform precisely as promised.

*Fashionable and 'cool'*–This emergent theme is about expressing personal taste, differentiating oneself from others, and demonstrating sophistication, discerning abilities, and success. This theme is also about being hip and looking stylish and feeling unique. For sophisticated and discerning spenders, Populent goods provide a rich and broad vocabulary with which to speak-without saying a word.

*Moonshooting and Bottombarreling* –Participants say they are willing to pay a significant premium for goods that are emotionally important to them and that deliver the perceived values of quality, performance, and emotional engagement. But in other categories that aren't emotionally important, they become value driven bargain hunters: the same participant who splurges on intimate apparel also buys generic earrings at target at $5.99 for three pairs.

*Signaling*–Signaling is about finding, building, maintaining, and deepening relationships with people who are important to them. Signaling includes the following subspaces: attracting mates, belonging (Bandwagoning) with friends and groups, and social signaling. To help attract mates, participants buy clothing, lingerie, jewelry, accessories, and cosmetics to make themselves more appealing. Populent goods provide participants a means to align themselves with people who have similar values and interests- to join the club

*Self-Catering*–Most of the participants say they are looking for ways to get a few moments alone, reward themselves after a tough day of studies and working, rejuvenate their body, and soothe their emotions. Self-Catering is also about indulging oneself but buying luxuries is no longer a guilty self-indulgence; it is exercising a right and almost an obligation to make sure consumers are feeling their best.

*Exploring*–Exploring is about seeking out new experiences and experimenting with added identity dimensions. Participants describe their sense of adventure and liberation when they complete their appearance by using and exhibiting Populent goods. In addition, participants appreciate the sense of freedom that comes with switching brands and consumption situations. Intimate apparel (underwear

and lingerie) provides participants with a canvas for experimenting and variety seeking that does not pose a threat of social scrutiny. Finally, exploring provides participants with a legitimate experience of product trial and evaluation.

*Inconspicuous Consumption*–The most conspicuous difference between "old" luxury goods and consumption and Populence is the element of display and the degree to which it applies. Participants purposely chose to select goods that are high quality and relatively expensive, but that do no display any visual brand elements.

Our data also serve to induct a new luxury Populence paradigm that is radically different from the traditional "old" luxury. This paradigm stems from significant mass market shifts, rather than exclusive, snobby elite segments. We call it the Populence paradigm because it involves the mass production and distribution of premium goods and services, enabling the majority of consumers to pick and choose their consumption of New Luxury brands.

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# The Surprising Influencers: How the Inferred Attributes of Observed Consumers Shape Observer Consumers' Buying Intentions

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The ways in which consumers influence each other is of major importance for today's marketers. The majority of influencer research examined processes of verbal communication between consumers. However, less is known about "silent" processes in which consumers are influenced by others merely through observation. The current paper examines how surprising personality traits or identity of an *observed* consumer influence the purchase intentions of *other (observing)* consumers. For example, does watching an excessively overweight person carrying an organic-store grocery bag increase or decrease the probability that the observer will visit that organic store? How does observing an elderly lady using a cutting edge cellular phone affect an observer's cell phone purchase plans?

We hypothesize that such observations elicit social comparison processes (Festinger, 1954) wherein the observing consumer compares himself to the observed consumer on a "product-salient attribute." The *"product-salient attribute"* is defined here as an attribute which highly characterizes the *typical-consumer* of the product in question. For example, the typical organic food consumer is perceived as particularly health aware, so health awareness is the organic-food salient attribute. Past research has shown that unfavorable comparisons (comparisons in which the comparer is outperformed) on subjectively important attributes (Tesser, 1988) are often ego deflating (Morse and Gergen 1970; Wills 1981; Pyszczynski et al. 1985), especially when they are unexpected (Festinger 1942; Alicke 2000). For example, an expert chess player will be more disturbed by a loss to a chess novice than by a loss to another chess expert, presumably because losing to a novice may suggest his personal chess ability has deteriorated. In order to enhance their depleted self evaluation following unfavorable comparisons, individuals employ a variety of coping strategies (Gibbons et al. 1994) including direct attempts to improve their standing on the compared attribute. Similarly, we hypothesize that when a non-typical consumer surprisingly outperforms us by owning a product with a salient attribute which we consider important (but we do not yet own such product), our self esteem is threatened. In response to this threat, our purchase likelihood will increase.

In Study 1, we asked participants to read a description of an innovative, expensive MP3 player and indicate their buying intentions and attitudes towards it. Participants in one group learned that a 47-year old grocery packer (low social status) has purchased that MP3 player. Participants in the second group learned that a 25-year old architect (high social status) purchased it. The grocery packer and architect were picked based on a pretest which validated that these individuals were viewed to be comparable on most dimensions (e.g., likability, looks) but differ on social status and perceived innovativeness. In addition, all participants reported how important it was for them to be innovators in technological products and in MP3 players. Since innovativeness requires financial resources, observing a low social status consumer is surprising and presumably more threatening than observing a high social status consumer. The results were consistent with our predictions: participants for whom innovativeness was important had higher mean purchase likelihood following exposure to the grocery packer than to the architect. Participants that regarded innovativeness as less important were not affected by the observed consumer manipulation.

In study 2, participants rated their buying intentions and attitudes towards a different product–a premium organic sandwich. A pretest indicated that health awareness is the salient attribute associated with organic sandwich consumption. In addition, the majority of students in our sample viewed health awareness as highly important. As in study 1, half the participants learned about a prototypic customer (a fit woman wearing a gym outfit) and half learned about a non prototypic customer (an overweight woman in ordinary clothing). Again these individuals were selected based on a pretest which showed that the two customers were viewed to be comparable on other important dimensions. Preliminary analysis indicated that two unintended factors affected buying intentions: belief in the functionality of the organic sandwich and participant's ethnicity. After adjusting for these two factors, we obtained results that replicated the expected effect: participants reported greater purchase likelihood and judged the price premium to be fairer following exposure to the overweight woman than to the fit athletic woman.

In sum, we find across studies that in *non verbal settings*, consumers who consider the product-salient attribute important are more likely to be influenced by a non-typical than by a typical consumer. Our results support the hypothesis that consumers learn through social comparisons about their relative position on product-salient attributes and respond to potential ego threats by increasing their personal purchase intentions. If further validated, these findings may have important managerial implications because they suggest that product adoption processes may be faster if advertising and promotion plans include target populations that are traditionally neglected. Finally, the research contributes to the growing body of knowledge on social comparison processes between consumers. Since our findings cannot be accounted for by classic predictions of reference group theory, they open challenging avenues for future research.

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# How Personal Are Consumer Brand Evaluations?
# Disentangling the Role of Personal and Extrapersonal Associations in Consumer Judgments

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Consumers often write or voice brand evaluations based on information they retrieve from memory (reporting brand attitudes in surveys, discussions and advice to friends about brands, etc.). Research has highlighted a variety of types of brand associations consumers may retrieve from memory to evaluate a brand (e. g. attributes, stereotypes, global impressions; Maheswaran 1994; Dillon et al. 2001). However, we know little about the extent to which brand evaluations really reflect personally-held attitudes. One reason for this is self-presentation, whereby consumers may distort and edit their evaluations in a socially desirable way (Paulhus 1998). However, even in situations where self-presentation is not a major concern, a brand evaluation may not reflect consumers' underlying attitudes about a brand.

A recent conceptualization proposes that consumers may hold associations that contribute to their personal attitudes about objects but also object associations that they have in memory but do not necessarily agree with (Han, Olson, and Fazio 2006; Olson and Fazio 2004). Personal associations reflect how the individual thinks/feels about the object regardless of what the rest of society believes (e. g. knowledge based on personal experiences). Extrapersonal associations reflect the individual's perception of what other people would think—any information about an attitude object in society at large. These extrapersonal associations may be formed on the basis of information from social interaction and from the media, often reflecting stereotypic knowledge (Karpinski and Hilton 2001). Self-reported brand evaluations may be influenced by these extrapersonal associations, which may not reflect the nature of the individual's personal attitudes.

We argue that the proportion of extrapersonal associations in memory is related to the level of consumer expertise with the brands in the product category. For example, research shows that experts base their brand evaluations on concrete attribute knowledge whereas novices use general impressions to form brand evaluations (Dillon et al. 2001). Furthermore, novices are more prone to use stereotypes rather than attribute information in product judgments, while the converse holds for experts (Alba and Hutchinson 1987; Maheswaran 1994). We therefore hypothesize that novices' brand evaluations will be predominantly based on extrapersonal associations; while experts' brand evaluations will be predominantly based on personal associations. Our first study tests these hypotheses.

We assessed the link between brand judgments and type of associations on which those judgments are based (personal vs. extrapersonal) in two different ways. The first assessment was a thought measure, whereby participants made brand evaluations, reported the thoughts they relied on to make the evaluation and then self-coded those thoughts according to whether the thought reflected their own opinion or someone else's opinion. The second assessment was through administering two different versions of the Implicit Association Test (IAT)—the traditional IAT (Greenwald, McGhee, and Schwartz 1998) and the personalized IAT (Olson and Fazio 2004). The traditional IAT, according to Olson and Fazio (2004), is affected by extrapersonal associations that are accessible at the time of categorizing the target object. Olson and Fazio (2004) devised a "personalized" version of the IAT that taps into personal associations to a greater extent than the traditional IAT. We expect that if brand evaluations are mostly based on extrapersonal associations, then the correlation between traditional IAT measures and brand evaluations should be positive and the correlation between traditional IAT measures and brand evaluations should be non-significant; the reverse pattern is expected if brand evaluations are mostly based on personal associations.

Ninety-six undergraduates participated in this study in exchange for course credit. The study comprised two sessions, with an interval of three weeks between the two. In the first session, each participant completed a randomly assigned IAT (traditional or personalized), in which the target objects were the *Mercedes* and *Fiat* brands. In the second session, participants completed a questionnaire including evaluations of the *Mercedes* and *Fiat* brands on six-item scales (a=.93 and .91). After that, they wrote down the reasons for their evaluation of each brand. Participants were then asked to self-code their own thoughts according to thought valence (positive/negative/neutral) and whether the thought reflected a personal opinion or an opinion shared by most people in their community. Participants then reported their expertise with cars on a four-item scale (a=.93; Mitchell and Dacin 1996).

As expected, experts wrote more total thoughts than novices (*M*=11.50 vs. *M*=9.00; *F*=12.84, *p*<.01). Regarding thoughts based on personal vs. extrapersonal opinion, novices wrote a higher proportion of non-personal thoughts than experts (*M*=.69 vs. *M*=.55; *F*=11.74, *p*<.01). We also performed regressions of type of thought on the IAT effect, to check the kind of associations influencing IAT effects. For novices, the valence of thoughts based on extrapersonal opinion was a significant predictor of IAT effects (*t*=2.34, *p*<.05) but the valence of thoughts based on personal opinion was not (*t*=1.09, *ns*). Conversely, for experts, personal opinion thought valence was a significant predictor of IAT effect (*t*=2.27, *p*<.05), but extrapersonal opinion thought valence was not (*t*=.95, *ns*).

We regressed explicit brand evaluation on IAT effect, expertise, IAT type, and on the following cross-products: IAT effect x expertise, IAT effect x IAT type, expertise x IAT type and IAT effect x expertise x IAT type. The three-way interaction was significant at *p*<.05. Probing this interaction showed that when novices completed the traditional IAT, their IAT effects and explicit brand evaluations were positively associated (*t*=1.81, *p*<.05). However, when they completed the personalized IAT, IAT effects and explicit brand evaluations were not associated (*t*=.10, *ns*). These results support our first hypothesis: Novices' brand evaluations seem predominantly based on extrapersonal associations. When experts completed the traditional IAT, their IAT effects and explicit brand evaluations were not associated (*t*=.29, *ns*). However, when they completed the personalized IAT, their IAT effects and explicit brand evaluations were positively associated (*t*=2.28, *p*<.05). These results provide support for our second hypothesis: Experts' brand evaluations seem predominantly based on personal associations.

To better understand the processes by which the types of associations affect explicit brand evaluations, the next steps of this research involve experiments manipulating the salience of personal vs. extrapersonal associations through priming. We expect a priming of personal associations to have a differential effect on experts such that their brand attitudes (as measured by the IAT and explicit scales)

should be more based on personal associations than in a control condition. Conversely, we expect a priming of extrapersonal associations to have a differential effect on novices such that their brand attitudes (as measured by the IAT and explicit scales) should be more based on personal associations than in a control condition.

Overall, we believe the present research project promises important insights for our understanding of the different influences consumers rely upon when constructing and reporting judgments about brands.

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# Impact of Value Aspirations, Age, and Gender on Television Viewing Connectedness among Preteens and Teens

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We examine the effect of three value aspirations (academic achievement, popularity and physical attractiveness) on connectedness with reality television. We find that both popularity and physical attractiveness are positively associated with connectedness. For males, popularity appears to be more strongly associated with connectedness that physical attractiveness. For females, teens who strive for popularity are more likely to be connected to reality TV; popularity is not associated with connectedness to reality TV for preteens. Girls who desire to be physically attractive are generally more likely to be connected to reality TV; however, this relationship becomes weaker with age.

# The Use of Humor in Promoting Healthy Eating and Better Communication in Parent-Child Dyads and the Moderating Role of Attachment: A Web-Related Intervention

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**Background**

Adopting a healthy lifestyle is paramount to reduce the incidence and impact of health problems, to better recover and cope with life stressors, and to improve quality of life. Because healthy diets rich in fruits and vegetables are part of a healthy lifestyle, they consequently contribute to better health and longevity. The objective of this research is to make web nutrition information more effective by incorporating humor appeals that render the information more enticing and more likely to be fully explored.

Humor is a fundamental ingredient of social communication and has been wildly used in ads throughout the world to improve persuasion outcomes such as attitudes, memory and behavior. The persuasiveness of humor has also been successful in educational and health settings. When neutral appeals are used to present a communication, components of the appeal are generally abstract and objective, in order to keep the focus of the viewer on processing and reasoning on the information content. Humor appeals, in contrast, are designed to trigger fun and other pleasant affective responses and thus can help individuals engage in healthier lifestyle behaviors, i.e. increased

vegetable and fruit consumption. Consequently, we hypothesize that child-parent dyads in the web-communication humor appeal will increase more their consumption of fruits and vegetables than their counterparts in the neutral appeal condition.

Nevertheless, individual differences may mediate the humor effectiveness of our web-communication intervention. Research showed that high masculinity individuals, i.e. more independent, forceful and dominant, have a distress-avoidant orientation, and, thus prefer humor appeals to neutral ones. Building upon these findings, we believe that attachment styles may mediate the effectiveness of humor appeals. According to attachment theory, interaction with significant others in times of stress facilitate the formation of a sense of attachment security. This sense of attachment is formed during childhood and guides responses to any distressful situation, such as preventative health behaviors. Specifically, individuals can be classified among three types of attachment styles. Secure attachment styles describe children that are strongly supported by their caregivers, who can acknowledge distress and turn to others for support. Avoidant attachment styles reflect children less supported by their caregivers, who faced rules restricting acknowledgement of distress and seeking of support. Anxious/ambivalent attachment styles develop from insensitive or inconsistent care giving and involve hyper-vigilance for negative affect. In this study, we hypothesize that humor appeal will be more effective for people with avoidant and anxious/ambivalent attachment styles as opposed to those with secure attachment styles because the former are not used to face the stressful situation.

Lastly, we expect humor to impact communication as well. Laughter, fun feeling and other responses typically associated with humor have been found to be the most contagious affective responses and to decrease tensions between individuals, thus enhancing communication effectiveness. Hence, we hypothesize that dyads in the humor appeal condition will have an enhanced communication that their counterparts in the neutral appeal condition.

## Method

*Design and Procedure:*

In order to test our hypotheses, a nutritional web-intervention was developed called Marathon- Nutrition where type of appeal was manipulated. The Marathon-Nutrition website was created on the server of a major Canadian university using existing nutritional material developed by health Canada and the Canadian Produce Marketing Association.

This study required dyads of parents and children to participate in a virtual race aiming to increase their fruits and vegetable consumption. The entire study took place at home. There were 5 conditions in total (4 experimental and 1 control). The four experimental conditions followed the same 12-step template, step 1 and step 12 being pre- and post-questionnaires to assess the intervention. The intervention lasted a total of 6 weeks. Each of the remaining 10 sessions had a total duration of 25 minutes where the participants were 1) presented with an information blurb on the importance of eating healthy, 2) followed by simple tricks to increase fruit and vegetable consumption during the day, i.e. breakfast, dinner, snack, 3) and a short quiz. At the end of each session, participants fixed themselves as an objective to try a new fruit and a new vegetable.

The control condition only required participants to log in and complete the pre- and post-questionnaires at 6 weeks of interval. Meanwhile, the participants in this condition were provided with a list of nutrition websites and were invited to go on these websites in teams, i.e. parent/child dyads.

200 dyads, 400 participants in total, took part in this study. Participants were children between 8 and 12 years old and one of their parents. 3rd, 4th and 5th grade children were recruited from 31 French primary schools with a middle socio-economic status in a major Canadian city. Within each school, classes were randomly assigned to one of the 3 conditions: humor appeal, neutral appeal, or control.

*Manipulations:*

The *humor appeal* of the website was manipulated by varying the funniness of the virtual agent that guided the participants through the online content. Depending of the condition, i.e. high or low humor appeal, Yip, the virtual coach, introduced nutrition concepts in a funny or neutral way.

*Measures:*

The web strategies' persuasion impact was estimated using primary outcome measures, i.e. the number of children's daily servings of fruits and vegetables. The humor elements of the website were measured using the Attitude Towards the Brand and Ad scale adapted to children. The Romantic Attachment Scale adapted to reflect the child/parent relationship was used to measure attachment.

## Conclusion and Discussion

Results analyses seem promising and are being completed at the present time.

We are confident that this study will identify the importance of well-known humor appeals in presenting information and increasing consumer fruits and vegetable consumption. It will further enrich the existing literature on the effects of humor and will help bridge the gap between peripheral communication appeals, i.e. humor, and healthy lifestyles, i.e. nutrition.

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# Effect of Country-of -Targeting on Product Evaluations

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There has been great deal of research examining the country-of-origin effect on product evaluations (Li and Wyer 1994; Maheswaran 1994) and its determinants (Gurhan-Canli and Maheswaran 2000The basic premise of the country of origin effect is that consumers categorize products and apply organized prior knowledge about the categories (schemas) to evaluate new products (Meyers-Levy and Tybout 1989; Sujan 1985). These categorizations and the application of prior knowledge is based on inferences. These inferences are based on whatever information is known about the product at that point rather than on product observation. . In the country of origin effect, one piece of information known when of making the evaluation is the country of origin. The purpose of this paper is to investigate the effect of another piece of information available to consumers when inferences are made, the perceived country of targeting (COT) of the product. We introduce this concept because, more and more, products sold in the U.S. have product information in different languages. .

We hypothesize that one piece of extrinsic information that consumers use to make inferences about the product is the language used on the product packaging.

Specifically, we hypothesize:

H1: When consumers are presented with product descriptions in English and another language, they form inferences about the targeted countries as being both the U.S. and the country that speaks the language seen on the package. .

The three products we selected (after pretesting) to test this hypothesis were a compact refrigerator, tortilla chips, and wine. These products were chosen for their expected country of origin effect and product familiarity. Color pictures of these three products with

products descriptions in different languages were created One version had product descriptions in English; a second had product descriptions in English and Spanish; and a third had descriptions in English and French. Ethnocentrism, prejudice, and the relative dominance of the three languages were measured so that they could be used as mediating variables. Perceived country of origin and perceived country of targeting were also determined. These questions were followed by manipulation checks.

We hypothesize that product evaluations will be affected by the country of origin effect as well as the country of targeting effect. For example, the country of origin effect should result in higher valuations when the country of origin is perceived to be France. The same wine perceived to have originated in France should have differential evaluations when the perceived country of targeting is the U.S. as opposed to Mexico. The relative dominance (between the U.S. and Mexico) of the language/culture will determine the direction of the difference in product evaluations.

*H2-H5 (Summary)*: After controlling for the country of origin effect, products perceived to be targeting more dominant cultures will have higher evaluations than products seen as targeting less dominant cultures.

Data were collected online at a large, public mid-Atlantic university from 112 subjects. Each subject evaluated each product in one language condition which yielded a sample size of 112 per product. Preliminary analyses of our data confirm most of our hypotheses.

In Study 2, the country of origin is part of the product description and, as such, is constant. This is a more rigorous test of the country of targeting effect.

We are introducing the country of targeting because of the current debate over multilingualism in the U.S. and the prevalence of multilingual packaging. We believe this concept has great theoretical and managerial implications.

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# Anticipating Consumption: The Impact of Expectations on Decision-Making for Healthy Products

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Making a decision in the marketplace is rarely easy. Consumers are frequently faced with many conflicting pieces of information regarding a particular purchase. This often makes decisions difficult and confusing. The decision-making environment itself rarely offers clear alternatives in which there is one obvious "best" alternative. Consumers can, however, better anticipate consumption by creating a set of expectations that can be used as a benchmark, so to speak, against which actual consumption can be compared. The well documented expectation-disconfirmation paradigm has been used to better understand consumer decisions for a myriad of different types of products, including, for example, automobiles, cable television, and university courses (Mano and Oliver 1993; Oliver 1993; Oliver et al. 1997; Westbrook 1987; Westbrook and Oliver 1991). Research has also been done on how consumers form expectations about products that are more experiential in nature (cf., Wilson, et al. 1989; Klaaren 1994; Phillips 1996; Phillips, Olson, and Baumgartner 1995; Phillips and Baumgartner 2002).

The importance of making a more informed decision is especially important in situations in which consumers are making decisions about their own health and nutrition (Kahn and Luce 2003; Moorman 2002). In these kinds of situations, where the consequences of an uninformed decision can impact an individual's health, it is critical that consumer researchers and policy makers better understand how consumers anticipate consumption. Making decisions about one's own health is complicated by the fact that consumers sometimes need to wait a long time before they can reach the conclusion that a given diet or exercise regimen was "successful." The presence of healthier immune systems (from consumption of multivitamins) and stronger bones (from consumption of calcium) is difficult to discern. Further, the pursuit of good health through the prevention of chronic disease means that success is measured by endpoints that do not occur: avoidance of hypertension, osteoporosis, cardio vascular disease, and cancer, for example. The purpose of this study is to examine the importance of expectation formation for health-related products in which the product benefits are not immediately apparent.

### Study 1: Internally- vs. Externally-Derived Expectations

Study 1 is designed to examine the extent to which the formation of an initial expectation is important to the decision-making for healthy products. In the absence of obvious, tangible product results, we hypothesize that the initial formation of expectations will have

a very important impact on how consumers view the performance of the product. Because there are no tangible features and benefits of the product, consumers will be able to gain knowledge about the more intangible, experiential aspects of product consumption and, hopefully, use that information to help make a decision.

Participants were either given the chance to form their own expectations about a new product or were given written testimonials from other consumers about the product's positive or negative performance. Not surprisingly, for individuals who consume high quality products, we find that when they create their expectations from external information, they are more likely to have higher levels of satisfaction, purchase intention, and recommendation intention. The decision-making process is strong and positive, from the formation of the initial expectations, to the consumption of the product, through to the decision about behavioral intentions.

The more interesting effects happen in the moderate and low quality product conditions. Compared to individuals who received testimonials, the individuals who created their own expectations formed impressions of the product that were, in general, more positive. Further, this tendency to form more positive impressions with self-generated expectations holds up even when the "objective" evidence of the performance of the product is taken into account. These self-generated expectations can actually result in less optimal decisions for consumers. Specifically, despite the fact that the products performed poorly, these consumers report higher levels of affect, satisfaction, purchase intention, and recommendation intention.

## Study 2: Expectations Derived from Scientific Reports

In Study 2, we sought to further clarify these findings by examining the extent to which information provided by an external, official source would be judged by individuals as providing useful information about the performance of a health-related product. The manipulations were designed to simulate news reports and other scientific information to which consumers may be exposed. Consumers are often exposed to news reports about the effectiveness of a vitamin, drug, or procedure. We also examined the extent to which approaching the decision-making task from a more functional frame of mind would differ from approaching it from a more experiential mindset.

We presented consumers with credible information about a new product in the form of a published news report on a scientific study. We found, not surprisingly, that when consumers approach the task from a cognitive, logical framework, their expectations about the likely performance of the product increase as the success of the scientific study in the news report increases. However, when consumers approach the task from a more affective, experiential framework, the formation of their expectations follows a slightly different pattern. Here, as the success of the scientific study in the news reports increases, the strength of a consumer's expectations about the likely performance of the product increases but does not peak with the case of the strongest scientific outcome. In fact, paradoxically, expectations decrease with the news report that discusses the best performing product. These expectations then impact affect, satisfaction, and behavioral intentions.

Public policy makers oftentimes work under that assumption that consumers make decisions about health-related products on logical, rational grounds. However, consumer research has found that this is not always the case (cf., Kahn and Luce 2003; Moorman 2002). The results of this study shed further light on health-related decision making for consumers who approach the task from a more affective or experiential framework. These consumers form very different expectations about how a product will likely perform and these expectations impact the rest of the decision making sequence from assessments of satisfaction through behavioral intentions.

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# Consider the Consequences: The Effect of Consequence Information on Consumer Choice of Snack Foods

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## Abstract

This paper examines how the inclusion of consequence information in nutrition labeling affects food choice. A sample of 98 undergraduates participated in an experiment designed to assess the value of consequence information. Consumption goals and presence of consequence information were manipulated experimentally. Overall health goals were measured as an additional predictor. Preliminary results indicate that consequence information is capable of spurring healthier food selections, but that this effect is contingent upon the level of health goal and the specifics of the snacking situation. Implications for academics, brand managers, and government policy makers are discussed.

## Conceptualization

The obesity rate is rising at an alarming rate in the United States. The rate among American adults doubled between 1980 and 2000. During the same time, the rate doubled among children and tripled among adolescents. This rapid rise in obesity rates has profound implications for human health as well as the economy (US Department of Health and Human Services, 2005a). One response to this crisis has been to provide consumers with information that aids choice. The Nutrition Labeling and Education Act (NLEA) of 1990 led to a number of studies of use of nutrition information and consumer behavior. An overall conclusion of this research stream is that for many, nutrition labels do not have a strong affect on food choice (Wansink and Huckabee 2005). If labels can help consumers make better choices, new approaches are called for.

This research examines one such opportunity-the addition of consequence information to labels. Specifically, we investigate whether consumer choice is affected by inclusion of weight gain and physical activity consequence information. Food labels required under NLEA provide nutritional information, including quantitative facts about calories, macro- and micro-nutrients. These are relatively abstract concepts. It is thought that the provision of consequence information will ease the consumer's information processing burden by providing a direct comparator closely linked to consumers' goals.

## Self-Regulation

Self-regulation refers to the mental processes used to control one's functions, states, and inner processes, that when combined, transform the inner animal nature into a civilized human being (Vohs and Baumeister 2004). Several approaches have been used in the study self-regulation. The classical theory of Carver and colleagues (e.g., Carver and Scheier 1981; Carver and Scheier 1990) is most applicable to this research.

## Cybernetic Control and Feedback Loops

Carver's (2004) model of self-regulation is based upon an analogy of cybernetic control. Like a thermostat, cybernetic control switches actions on(off) in response to progress towards (away from) a goal state (Carver 2004). Cybernetic control operates in a four step cycle: 1) input function, 2) comparator, 3) output function, and 4) effect on environment. The input function (perception) brings information into the system about the state of the environment. In the present research, this includes nutritional information about the attributes of snack foods under consideration. A comparator is a mechanism that calculates a comparison between the input and the relevant goal or standard. If the comparison yields a discrepancy, then the output function (behavior) changes. In this research, it is expected that the projected consequences of eating a particular snack food are compared to the chooser's goal state.

Consequence information should enable choices that are more consistent with the chooser's goals. Using the standard NLEA nutrition facts panel, one must process relatively abstract concepts, such as number of calories and fat grams, to form a judgment of whether a particular snack choice supports one's goals. When straightforward consequence information is provided, a more direct comparison is possible. For example, if the amount of associated weight gain or the amount of exercise required to expend the calories contained were presented, a comparison to the goal state becomes straightforward. Finally, if the behavior change is effective, then some change results in the environment, which is detected in the next cycle of the input function. This part of the process falls outside the context of this study.

People possess both chronic and situational goals, which may at times conflict. For example, a person may hold the chronic goal of maintaining a healthy weight, but in a given situation have the goal of rewarding him or herself with an indulgent snack. Applying the analogy of cybernetic control to this situation, we can imagine multiple conflicting feedback loops in operation. Under conditions of such goal conflict, consequence information has the potential to enable the feedback loop associated with the chronic goal of weight loss/maintenance to become more dominant in the resolution of goal conflict.

## Method

### Participants

Participants were 98 undergraduate business students at a major southeastern university. Students were recruited from business classes and were awarded extra credit for participation.

### Procedure

The computer mediated experiment was a mixed design with one factor (consequence information; present or absent) manipulated between subjects, and another factor (consumption goal; hedonic or utilitarian) manipulated within subjects. Order of presentation of the choice tasks, content of the choice tasks, and screen position of the choices were counterbalanced, resulting in 16 versions of the materials to which participants were randomly assigned. Following a practice choice task, participants were asked to imagine themselves in a

scenario seeking a snack to either satisfy hunger (utilitarian goal) or to reward themselves for studying hard (hedonic goal). Prices of the two choices were not shown, but were reported to be equal, to avoid potentially confounding effects of price sensitivity.

All participants were shown package images and NLEA nutrition facts panels. Consequence information was manipulated by the addition of the following example text to the NLEA label:

*Nutrition Consequences*: If you do not use up the calories contained in this snack, and you eat a similar snack daily, you will gain 1 pound every 21 days.

To use up the calories in this snack, you need to walk or jog about 1.7 miles.

Participants were asked to put themselves in the scenarios and select between two snacks. One snack was higher in calories than other. The lower calorie option is assumed to be more consistent with the chronic goal of weight loss/maintenance.

### Major Findings

Cross-tabulation was used to evaluate the effects of consequence information and nutritional goals on product choice under each of two situational goals. Initial findings suggest that under conditions of a situational hedonic consumption goal, for consumers who possess a chronic goal of weight loss/maintenance, the addition of consequence information leads to selections more consistent with the chronic goal than the NLEA nutrition facts panel alone ($?^2$=2.746, $p$=.097). No other significant effects were found. If these results are confirmed by further studies, this research will have important implications to public policy.

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# How Media and Advertising Jointly Affect Ad Effectiveness

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Advertising that appears in a media context can be affected by both consumers' experience with the media context and their experience with the ad itself. To date, the two issues have been studied separately. One line of research focuses on the media context effects and demonstrates that consumers' experience with the media context programs could affect ad effectiveness either positively or negatively. A second line of research studies consumers' experience with the ad itself and how that affects ad effectiveness. We look at both issues in our study and seek to show how consumers' experience with the media context interacts with their experience with the ad to affect an ads' ultimate effectiveness.

Many studies have looked at advertising context effects. Some of them show a positive effect (e.g., Anand and Sternthal 1992; Feltham and Arnold 1994) whereas others show a negative effect (e.g., Norris and Colman 1992; Soldow and Principe 1981). Rather than resolving the conflicting results, Wang and Calder (2006) propose a theory that predicts both a positive media context effect and a negative one. The authors argue that it is crucial to look at the relationship between the advertising and the media context that it's imbedded in. People come to media for its content and enjoy being transported into the media content. If the advertising is inserted in such a way that it is intrusive to consumers' media experience, a high level of media transportation leads to reduced ad effectiveness because of the ad intrusion. However, if advertising occurs without intruding on consumers' transportation experience with the media, this enjoyable experience enhances ad effectiveness. The authors also show that such transportation effects operate independently of another frequently studied construct—context involvement.

Consumers' experience with the ad itself could also affect ad effectiveness. Deighton, Romer, and McQueen (1989) find that more dramatic television commercials are processed differently from more argument oriented ones. More recently, Escalas (2004b) finds that narrative ad processing is positively correlated with brand attitudes and behavioral intentions. According to Escalas (2004a), a narratively structured ad increases ad effectiveness by connecting the ad to the self via narrative transportation.

In our research, we study both media context transportation and advertising transportation and examine how they jointly affect ad effectiveness. The study has a 2 (media context transportation: high vs. low) × 2 (advertising transportation: high vs. low) design. We manipulate both context transportation and advertising transportation by varying the narrative structure of each. Following Wang and Calder (2006), participants either read a story that has a linear chronological flow, or read another version of it where the chronological flow was broken. An ad for Chicago Tribune is inserted in the middle of the story at the climax for all participants.

The High Transportation Ad consists of three small cartoon pictures that together tell a story. The first picture shows a person lying on a couch, bored; the second picture features this person reading Chicago Tribune; and the third one shows the person enjoying a party. The three pictures are organized such that the antecedence and consequence of reading Chicago Tribune are clearly conveyed. In the Low Transportation Ad, we reordered the three pictures such that it started with the party picture, followed by the lying-on-the-couch picture and the reading-newspaper picture, in that order. We predict that disrupting the narrative flow of the story within the ad will reduce consumers' transportation experience with the advertising.

When transportation into the advertising was low, we replicated Wang and Calder's (2006) results. Participants who were highly transported into the media context had less favorable product attitude because the ad was perceived as intrusive. However, this negative media transportation effect on ad effectiveness disappeared when transportation into the advertising was high. Participants had equally favorable product attitude regardless of their media transportation experience.

Advertisers select popular media programs for their advertising. However, Wang and Calder (2006) showed that such placement could lead to reduced ad effectiveness. One way to offset the negative media transportation effect is to place advertising in a nonintrusive way (e.g., Study 1 in Wang and Calder 2006). Another is to improve the effectiveness of the ad itself. One way to achieve high ad effectiveness is to state the position in a narrative format so that consumers could be transported into the advertising. Such positive experience with the ad can compensate the negative media transportation effect on advertising.

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# How Embarrassing: An Examination of the Sources of Consumer Embarrassment and the Role of Self-Awareness

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Recognizing the discomfort that many consumers experience while purchasing seemingly day-to-day products, websites such as www.shopinprivate.com offer customers a safe-haven from embarrassment. Such retail channels allow consumers to avoid the stares, questions, and comments they anticipate from other shoppers as they make their purchase of socially embarrassing products. However, the effects of consumer embarrassment extend beyond the obvious class of products such as condoms and laxatives. In fact, embarrassment in the consumption context is manifested in many other ways, impacting a host of industries, such as online dating, a $473 million industry, the weight-loss industry weighing in at $65 billion, and the plus-size clothing industry, estimated at $32 billion. Considering the widespread impact of consumer embarrassment, it is imperative to understand the causes of consumer embarrassment and also address possible ways to mitigate embarrassment in hopes of improving consumption decisions.

Though there have been a limited number studies that examine specific aspects of embarrassment (Dahl et al 1998, 2001), marketing has yet to avail a comprehensive framework for understanding the dynamics of consumer embarrassment. Therefore, the goal of this paper is twofold- first, to examine the extent to which embarrassment, as identified in psychology literature, maps out onto the consumption context, and second, to identify and test the existence of factors that potentially affect consumer embarrassment. In study 1, an exploratory analysis reveals that the landscape of embarrassment in the consumption context might not entirely resemble that which was painted in psychology literature. Study 1 also serves to provide a better understanding of the situations in which consumers experience embarrassment and how they cope with it. Study 2 builds upon the findings of the first study to examine the effects of increased self-awareness on the purchase of socially embarrassing products.

In the extant psychology literature, authors have primarily reported the existence of two theoretical accounts of embarrassment- the social evaluation account (Miller and Leary, 1992; Miller, 1996) and the awkward interaction account (Parrott and Smith, 1991; Sabini et al, 2000; Silver et al, 1987). The former theoretical account posits that embarrassment is the result of a threat to one's desired social identity and belonging to a while the latter describes embarrassment as the result of a public disruption of a social performance. A third theoretical account, the loss of self-esteem account (Edelmann, 1987; Babcock, 1988), has received very little attention and appears to be somewhat discredited in psychology. According to this account, people feel embarrassed as a result of a disappointment with themselves, resulting in what researchers have dubbed a loss of situational self-esteem. This account holds that embarrassment might even be expressed privately, as people fail to act in accordance with their own standards.

The results of Study 1 (n=76), consisting of both scaled and open-ended items, indicate that in fact consumers have experienced all three forms of embarrassment in the consumption context. Surprisingly, although the psychology literature might have speculated otherwise, 77% of the survey respondents indicated experiencing a private embarrassment that might be best captured by the loss of self esteem account, with as many as 39% of all respondents stating that they had experienced this form of embarrassment somewhat frequently. In fact, 21% of all respondents indicated that this was the most commonly experienced form of embarrassment in a consumption context. Of the several examples of private embarrassment subjects provided were:

*"I felt embarrassed when buying embarrassing self-help books online from Amazon.com"*
*"I feel embarrassed when I try on a clothing that is a large size."*
*"I felt embarrassed in looking for singles online."*

The results also indicated that a desire to maintain one's social identity, consistent with the social evaluation account, was a source of consumer embarrassment for respondents, with 53% saying that they had experienced this form of embarrassment somewhat frequently and 23% agreeing that it was the most commonly experienced form of embarrassment in consumption situations. The following excerpts highlight the validity of the social evaluation account for embarrassment in the marketplace:

*"It's embarrassing to be seen shopping at a discount store like Marshalls or TJ Maxx. If I buy something from there I usually lie about where I got it."*
*"Buying condoms or 'feminine products' is embarrassing."*

Lastly, the awkward interaction account of embarrassment found a great deal of support, with 78% of respondents agreeing that they had experienced this form of embarrassment somewhat frequently, and 56% stating that it was the most common form of embarrassment in consumption situations. Participants provided examples including knocking over product displays and breaking products because they did not know how to properly use them.

The results of study 1 not only helped to create a guideline for understanding how embarrassment is manifested in the marketplace, but also provided help in shaping study 2. Existing literature suggests that several individual level differences have been known to impact

the effect of embarrassment. In one study, self-monitoring was shown to be positively correlated with the level of embarrassment experienced in certain situations. (Sabini et al., 2000) Building upon this research, study 2 chose to examine a closely related factor- self-awareness. In reexamining the open-ended responses from study 1, it appeared that among the most frequently mentioned embarrassing consumption situations were those involving the purchase of condoms and feminine hygiene products. A pretest consisting 20 day-to-day consumer goods confirmed that condoms and personal hygiene products were considered among the most embarrassing products.

Study 2 (n=76) was an exploratory investigation of the effects of primed self-awareness, consisting of a design in which subjects were asked to imagine shopping with a fictitious grocery list consisting of 6 neutral and 3 socially embarrassing products. Participants in the priming condition were given a self-awareness enhancing task that asked them to write twenty sentences beginning with "I am" and engage in a pronoun identification task, where all pronouns referred to the self (i.e. I, me). The remaining subjects were administered a distraction task. Subjects were then given a photograph and brief description of each item on the list, followed by six questions assessing their attitude toward the product and likelihood to use the product, if needed. Unfortunately, the results indicate that there were no significant differences in the attitudes toward the neutral or embarrassing products for primed and non-primed participants.

After answering questions regarding each of the 9 products, subjects were told that they could only select 6 products to purchase. Interestingly, there was a significant effect of primed self-awareness on the number of socially embarrassing products purchased, $F_{(1, 76)}=3.908$, $p<.05$. That is, although primed and nonprimed participants reported not having different attitudes toward the array of products, primed participants were more likely to remove socially embarrassing products from their shopping basket than nonprimed participants. Furthermore, a Chi-Square analysis corroborated that in fact, there was a difference in the proportion of embarrassing to non-embarrassing products chosen by primed and non-primed participants, $X^2=47.789$, $p<.01$. These results imply that although attitudes toward socially embarrassing products might not be affected by a state of heightened self-awareness, it might still impact purchase decisions. These findings are exploratory in nature and additional investigation would be useful in understanding what factors might moderate the impact of self-awareness on embarrassment, such as the ability to justify one's purchases.

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# Product Failure and Warranty Purchase: Their Effects on Target-Specific Emotions and Attitude toward the Brand

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**Abstract**

This paper investigates the consumer affective responses to product failure as a result of making a decision to buy or not buy a warranty at the time of product purchase. Specifically, we present hypotheses about differences in consumers' emotional reactions to products failure, and consequently their attitude toward the brand, depending upon whether they have purchased product warranties. The hypotheses are derived by arguing that different types of counterfactual thinking and attributions are invoked under conditions of product failure or no product failure, and the purchase of a warranty or no warranty purchase by the consumer. Theoretical and managerial implications are briefly discussed.

**Introduction**

Approximately 15 billion dollars are spent by U.S. consumers each year on purchase of warranties. It is the contention of this research that consumers' emotional reactions to products failure, and consequently their attitude toward the brand differ depending upon whether they have purchased product warranties. The hypotheses are derived by arguing that different types of counterfactual thinking and attributions are invoked under conditions of product failure or no product failure, and the purchase or no purchase of a warranty by the consumer.

Counterfactual thinking refers to a consumer imagining alternatives to past outcomes. These are thoughts of what might have been if he/she had done something different. Counterfactual thoughts are typically generated in response to a conscious decision of the individual. In our case, the conscious decision is to buy or not buy the warranty coverage offered by the retailer when purchasing a consumer durable (e.g., a computer). When counterfactuals focus on outcomes that are better than the actual outcomes, they are referred to as upward counterfactuals; those focusing on outcomes that are worse than actual outcomes are referred to as downward counterfactuals. The effects of counterfactual thinking are rooted in one of the two underlying mechanisms- contrast effects and causal interference (Roese 2000). Contrast effects occur when a judgment becomes more extreme through juxtaposition of some anchor or standard. In a contrast effect, a factual outcome may become worse if a more desirable outcome alternative is salient. Counter factual thinking may also imply causal inferences that may have implications independent of contrast effects.

Counterfactual thinking has consequences for experience of a range of emotions such as regret, and social ascriptions such as blame (Byrne, Segura, Culhane, Tasso & Berrocal, 2000). Counterfactual thoughts are also generated by attributions of product failure, including, self ("I should have bought service plan"–same as counter factual), product itself ("Its because of this stupid brand Sony"- this could possibly lead to counter factual again–"I should have bought Cannon instead") or attributions about circumstances ("it is because of the way I used the camera"–this also could lead to counter factuals–"I should not have taken this camera for my hiking trip when it rained").

## Contribution

There has been no prior work looking at counterfactual attributions leading to how decisions are made subsequently and specifically in the context of service plans.

We apply the learning from a review of counterfactual literature and appraisal theories to the decision to buy or not to buy an extended warranty, and its effect on target specific emotions and attitude toward the brand. Based on this several hypotheses are proposed.

This research will contribute to the theoretical understanding of the counterfactual thinking process in an extended warranty situation, and develop a framework to predict emotions experienced under different situations, and subsequently their attitude toward the brand. The findings of this study will be relevant as conditions under which positive and negative target-specific emotions sand attitude toward the brand are generated will be identified.

## Hypotheses

*When the product fails,*
H1a: Those who bought the warranty will feel positive self-directed emotions (e.g., pride).
H1b: Those who did *not* buy the warranty will feel negative self-directed emotions (e.g., regret).
H1c: Those who bought the warranty will feel mixed emotions of relief and mild irritation toward the brand.
H1d: Those who did not buy the warranty will feel intense negative emotions toward the brand (e.g., anger and bitterness).

*If the product does not fail*
H2a: Those who bought the warranty will feel negative self-directed emotions (e.g., embarrassment and humiliation).
H2b: Those who did <u>not</u> buy the warranty would feel positive self-directed emotions (e.g., pride).
H2c: Those who bought the warranty will feel negative emotions of feeling deceived toward the brand.
H2d: Those who did <u>not</u> buy the warranty will feel positive emotions toward the brand (e.g., joy and contentment).

*Other hypotheses*
H3: The attitude toward the brand will be lower among subjects for whom product failed than among those for whom it did not.
H4: The decline in attitude toward the brand between subjects for whom the product failed (versus did not fail) is greater for those not buying the extended warranty than for those not buying it.

## Method

The hypotheses were tested using a 2 (warranty or no warranty) X 2 (product failure or no failure) between subjects on-line scenario-based experiment involving the purchase of a computer. The scenario required each subject to choose between a computer with no warranty and a computer with a warranty at a given price. This price was determined using pretests to find the indifference point for the purchase of a warranty for a $599 computer. A control condition that does not mention the availability of a warranty was also administered by offering subjects a choice between computer with a large screen for $ 699 and a small screen computer with a small screen for $ 599. In subsequent screens they were randomly assigned to one of the two conditions of product failure or no product failure. Counter factual thoughts, cognitive elaborations, anticipatory emotions, attributions, and target related emotions experienced and attitudes towards warranty, and brand were measured. Analysis show support for our hypotheses.

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# The Impact of Brand Relatedness on Negative Spillover Effects in Brand Portfolios

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Complex brand portfolios with multiple brands, sub-brands, and endorsed-brands are increasingly common in the marketplace. Marketers often cultivate relatedness/linkages between brands in the portfolio through a variety of marketing means including common brand names and logos, similar advertising, and promotion of complementary usage to gain marketing efficiency. However, relatedness also makes brands subject to "spillover" in which external information (e.g., negative news) about a brand can change evaluations of related brands that are not directly implicated. The purpose of this research is to investigate the impact of brand relatedness on such spillover effects.

Prior research has investigated the spillover between extension products and the parent brand (e.g., Roedder John et al. 1998) and between competing brands in a product category (Roehm and Tybout 2006). These studies show that the strength of linkages between brands is a good predictor of the extent of spillover between them. However, the linkages can be characterized by more than just strength. Based on network association theory, a process explanation for the strength of linkages suggests that linkages between information nodes are "pointers" whose properties include strength as well as directionality (Collins and Loftus 1975). But the impact of the directed nature of brand relatedness has not been examined in previous spillover research. In a brand portfolio (e.g., Kellogg's), sub-brands (e.g., Special K and Corn Flakes) are associated via a large number of linkages (e.g., common usage, logo, users' experience), and the frequency and direction of processing these linkages can influence the directional strength of association between sub-brands. Thus, we propose that spillover between sub-brands is a function of not only the strength but also the directionality of association between sub-brands. In particular, the spillover between sub-brands A and B will be asymmetric when the strength of association between them is asymmetric.

If asymmetric strength of association indeed leads to asymmetric spillover effects, a related question is, what factors influence the directionality of association strength, and under what conditions the directional strength of association can be changed. Two competing theories may explain the directionality of brand associations. First, network association theory indicates that, when judging the relatedness of brand A *to* brand B, brand A is primed and activated, and this activation spreads to brand B via linkages between them. The level of activation arrived at brand B guides consumers to judge the strength of A-to-B association (Ulhaque and Bahn 1986). The "fan effect" in network association theory indicates that, given a fixed level of activation at a brand node, the more links it radiates, the less activation emanates toward any one link. Thus, when brand A has more associative linkages emanating from it than does brand B, the strength of A-to-B association is weaker than that of B-to-A association. Alternatively, the contrast model (e.g., Tversky 1977; Tversky and Gati 1978) indicates that the perceived similarity between brand A and brand B is a function of their common and distinctive features. When judging the similarity of brand A *to* brand B, brand A's features are weighted more heavily than brand B's, and therefore the distinctive features of brand A detract more from similarity than do distinctive features of brand B. Thus, when brand A (e.g., Coca-Cola) has more distinctive features than brand B (e.g., Shasta Cola), consumers will perceive less similarity of brand A to brand B than B to A. In summary, in a brand portfolio, if sub-brand A is more salient and therefore has more associations than sub-brand B, both network association theory and the contrast model predict that sub-brand A is perceived less related to sub-brand B than sub-brand B to A.

However, these two theories may arrive at different predictions when investigating factors that influence the directional strength of association between brands. First, network association theory predicts that the strength of association from brand A to brand B will be strengthened when priming any associations of brand A. This is because priming increases the level of activation at brand A and therefore the level of activation arrived at brand B. However, the contrast model predicts that the strength of association from brand A to brand B will be strengthened when priming common associations of brand A, but it will be weakened when priming unique associations of brand A. Thus we propose two competing hypotheses for the impact of priming brand associations on the directional strength of association.

The above proposed effects were tested in two experiments. In experiment 1, we investigated the impact of brand relatedness on spillover using three sub-brands from an existing brand portfolio. We measured the directional strength of association using a computer-based sequential priming program, primed negative information at each brand, and measured the extent of spillover at related brands. In experiment 2, we investigated the impact of the number and salience of brand associations on the directional strength of association. In a 2 (number of associations: more vs. few) X 3 (priming: none, prime common associations, prime unique associations) factorial design, we measured the directional strength of association between fictitious brands and then replicated the design with real brands.

The results of experiment 1 suggest that the spillover between sub-brand A and B is asymmetric when the strength of association between them is asymmetric. Managers need to be aware of this asymmetric spillover to design efficient remedy strategies. The results of experiment 2 show that the strength of association from sub-brand A with more associations to sub-brand B with fewer associations is weaker than that of sub-brand B to A. Furthermore, the directional strength of association from sub-brand A to sub-brand B will be strengthened when brand associations of A, regardless of common or unique associations, are primed. This indicates that, when a sub-brand is affected by negative information, it may not be wise to prime the distinctive associations of that brand in the hope of limiting spillover. Instead, advertising emphasis should shift to underscore the positive equity of the parent brand and/or other sub-brands, while advertising of the affected brand is halted.

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# Self and Social Signaling Explanations for Consumption of CSR-Associated Products

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Consumers frequently encounter, and buy, products that have a corporate social responsibility (CSR) association (e.g., cell phones that promise a portion of proceeds to cancer research). It is well documented that products with a CSR-association are extremely popular among consumers; however, very little is known about the motivations underlying a consumer's decision to purchase these products. To date, the research on CSR-associated purchase decisions has focused on antecedents that influence evaluations and purchase decisions (Brown and Dacin 1997, Strahilevitz and Myers 1998, Sen and Bhattacharya 2001) but has failed to consider specific motivations that drive the decision to purchase a CSR-associated product. We address this gap in the literature through several studies.

Across several experiments we find that consumers like CSR-associated products for two distinct reasons. First, consumers like the fact that these products send out highly visible, *social signals* regarding their benevolence. We find that a consumer's likelihood of adopting a CSR-associated product varies positively with the product's social signaling potential, even when that signaling potential is subtly cued. Second, we also find that consumers like the more private, *self-signaling* potential associated with the purchase of these products, even when a strong social signal is absent. In sum, we find that the valuation of a CSR-associated product is jointly determined by its social and self-signaling potential.

Signaling refers to the act of conveying information about oneself in an implicit fashion, by engaging in behaviors that reveal one's traits and preferences to observers. Thus many behaviors are often valued for their ability to send out signals to observers, without requiring explicitly communication. Social signaling has been implicated in explaining several phenomena. In the marketing literature, it has been suggested that brands signal product quality (Erdem, Swait and Valenzuela 2006), and that a consumer's product choice sends social signals regarding their personality attributes (Holt 1995). Similarly, Glazer and Konrad (1996) examine the role of social signals in the realm of charitable behavior. Their model implies that charitable donations are observable signals, and consumers are more willing to donate when there is an increased potential for signaling. This implies that purchasing CSR-associated products, a specific method of making a charitable donation, should also serve as a social signal. We therefore hypothesize that the likelihood of purchase of a CSR-associated product would be positively related to the social signaling potential of the product.

Besides sending out social signals to observers, behaviors also have the capacity to *self-signal* to the individual in question. The self-signaling capacity of behaviors, although relatively under researched, was elegantly demonstrated by Quattrone and Tversky (1984). Quattrone and Tversky (1984) showed that people often engage in behaviors in order to signal to themselves that they possess a particular desirable trait, even when there are no social incentives. Thus, in addition to serving as social signals, we posit that CSR-associated products also allow for self-signaling. We hypothesize that the purchase likelihood of a CSR-associated product should be positively related to its ability to provide a positive self-signal. These two hypotheses were investigated in the studies described below.

In study 1, participants were randomly assigned to between subject conditions, presented with advertisements for a target product that manipulated perceptions of the product's social and self-signaling potential, and asked to indicate their purchase likelihood. Social signaling potential was manipulated by varying the suggested location of the product (private vs. public living spaces). The CSR-association was manipulated by the presence-absence of a CSR tag. The self-signaling potential was manipulated by the presence-absence of a reminder about how the purchase of the CSR-associated product would remind them of their kind-heartedness.

Our results indicate that when the products did not have a CSR association they were evaluated equally regardless of social signaling potential. However, when the products had a CSR-association, not only was the product evaluated more favorably in the high (versus low) social signaling potential condition, but also the low social signaling potential condition actually lead to lower evaluations than the control, no CSR association conditions. Interestingly, when the reminder was added to the CSR association conditions, this difference disappeared.

We also did a follow-up study, in which we manipulated the social signaling potential of the same product by describing it as being especially helpful either for social (entertaining friends) or for personal (indulging oneself) occasions. The results support our previous findings.

Our findings suggest that consumers generally reward CSR-associated products for their ability to serve as social signals and are willing to punish similar CSR-associated products that do not offer the same signaling potential. However, if consumers are provided with self-signals, the difference between high and low social signaling potential products is negated.

In sum, we address a gap in the literature on corporate social responsibility by showing that the valuation of a CSR-associated product is jointly determined by its social and self-signaling potential. Our findings also extend the literature on signaling by offering an addition to the relatively modest extant stream of research related to self-signaling.

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**FIGURE**
Prime-consistent choice as a function of delay and prime-reg. focus congruence
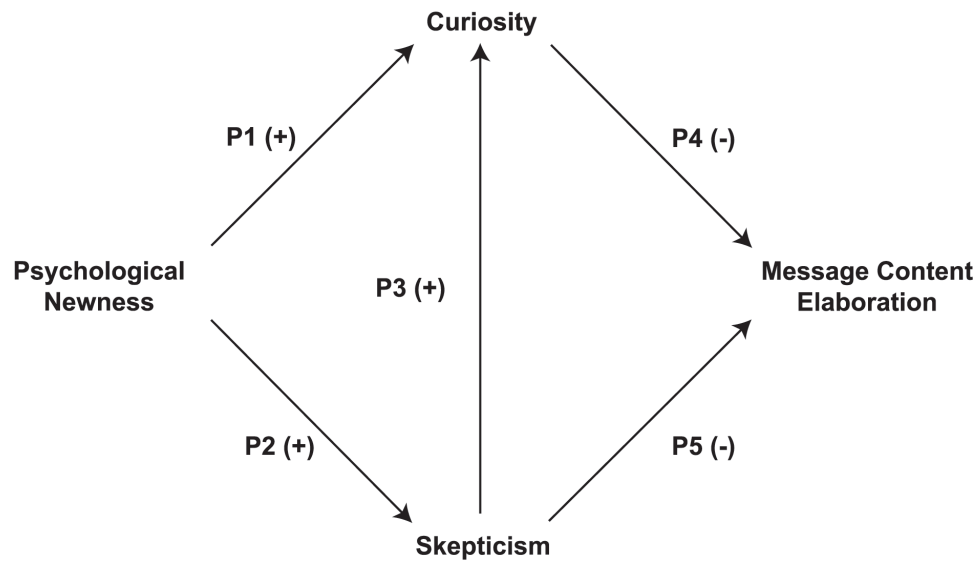
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# Consumers' Elaboration of Really-New-Product Messages
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For consumers, really new products offer exciting new benefits but are also accompanied by uncertainty and behavior change (Hoeffler 2003). Recent research suggests that because of the extreme benefits and constraints characterizing really new products, firms would do better positioning their really new products as more incremental innovations (Alexander, Lynch, and Wang, forthcoming). Yet, really new products can convey the unexpectedness that allows a product idea to stick with consumers (Heath and Heath 2007) beyond the initial buzz. It seems that by downplaying a product's newness, marketers may lose a significant advantage their products have when consumers initially learn about new products.

The current research examines how a product's psychological newness affects consumers' elaboration of new product messages. A dual-mediator model (illustrated in Figure 1) is proposed wherein psychological newness affects new product message content elaboration indirectly by affecting consumers' curiosity and skepticism about the new product message's content. Psychologically newer products increase consumers' curiosity (P1) through their unexpected and original benefits and features. As product curiosity increases, consumers' elaboration of the product message (P4) is also expected to increase. Product newness also increases consumers' skepticism (P2) about the product's ability to deliver the claimed benefits. As message claim skepticism increases, consumers' curiosity about the new product (P3) and the elaboration of the product message (P5) decrease because the value (and validity) of the message's content is questioned. Depending on the product and the particular context, product newness can lead to an increase, decrease, or have no overall effect on elaboration of message content.

Three studies are planned to validate the proposed model and to examine contexts in which the relationship between a product's psychological newness and message claim skepticism (P2) is moderated. By identifying contexts in which psychological newness' effect on skepticism is dampened, marketers can increase message elaboration.

Study 1 examines how marketers may lower consumers' message claim skepticism by avoiding marketing hyperbole and providing more balanced product messages that acknowledge the potential costs/constraints inherent in new products. The extreme costs characterizing really new products likely reinforce consumers' efforts to resist marketers' persuasive messages, increasing consumers' skepticism towards message claims more than do the more moderate costs of incrementally new products. Balanced product messages,

because they are atypical, are less likely to be viewed as outright persuasion attempts and so may generate less message claim skepticism and increase message elaboration.

Participants (drawn from a national, Internet-based panel) will be shown a set of new cell phone services using either balanced or biased descriptions. Their perceptions of product newness, product curiosity, and message claim skepticism are then measured and participants are given the opportunity to examine more information about each service as an indicator of message elaboration. Product newness is expected to increase participant's skepticism less and increase message elaboration more for balanced vs. biased messages.

Study 2 investigates how marketers may lower consumers' message claim skepticism by reducing the social distance between the source and recipient of a new product message. For consumers encountering a new product, the compatibility of that product with their existing social system can have a significant effect on their new product adoption decision (Rogers 2003). Receiving new product information through word-of-mouth (WOM) from a close friend can be valuable because information about its compatibility with the recipient's social system may be conveyed along with product details reducing skepticism about those details.

Participants (from a small Midwestern university) will be shown product messages said to originate from a close friend or a marketer for a set of either really new or incrementally new products. Their thoughts while viewing the product messages will be collected for coding for message elaboration. Their perceptions of product newness, product curiosity, and message claim skepticism are then measured. After a filler task, participants are asked to recall the information in the message for each new product as another measure of message elaboration. Product newness is expected to increase participant's skepticism less and increase message elaboration more when the message originates from a close friend than when it originates with a marketer.

Study 3 investigates how changes in consumers' time frame for adopting new products affect their perceptions of the product and their skepticism about message claims. When consumers' expect to buy a product in the distant future they likely focus on the product's potential benefits while underweighting the potential costs and constraints of its adoption (Trope and Liberman 2003). Consumers encountering messages for a really new product likely see its extreme benefits as more feasible when adoption will occur in the distant rather than near future, reducing message claim skepticism. Procedures for Study 3 are the same as those for Study 2 except that participants are shown a set of print ad mock-ups rather than new product messages from different sources. Participants are told to look at the ads expecting that they would purchase the products in the ad in either one year or one day. Product newness is expected to increase participant's skepticism less and increase message elaboration more when the time frame to new product adoption is temporally distant vs. temporally near.

The extreme benefits and costs characterizing really new products create a challenge for marketers—maximize the advantages derived from the benefits while minimizing the disadvantages resulting from the costs. Three planned studies are expected to validate the proposed curiosity/skepticism framework for predicting the effect of a product's psychological newness on consumers' elaboration of new product information while also identifying contexts where the link between a product's psychological newness and message claim skepticism is moderated. These results would provide new product marketers important new insights into how consumers initially learn about their products and how a product's psychological newness can be used to increase that learning.

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# The Cross-Cultural Effect of Trust on Subjective Well-Being

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Trust is an extremely important element of human social behavior and is critical to the development of economically stable civil societies. At the heart of all social, institutional, market and financial transactions is the level of trust that people perceive of their partners. This sense of trust is predicated on a number of antecedents found in common place, daily interactions. The level of trust found within a society would assumedly have a significant effect on the level of subjective well-being in the society. Subjective well-being (SWB) is defined as a field of analytical study that attempts to understand how positively or negatively people evaluate their lives (Diener, Suh, and Oishi 1997). Researchers try to understand both the negative set of emotions that people experience (i.e. depression, compulsion) and the positive ones (i.e. joy, happiness, satisfaction) in order to measure the relative ratio between the two emotional poles.

This study investigates the relationship between trust and subjective well-being in a cross-cultural context. This is based on a general equilibrium growth model by Zak and Knack (2001) which states that as the level of trust varies among countries there is a correlation with wealth and prosperity for that country. There are large differences between countries in their propensity to trust others. This trust is believed to allow for lower transaction costs among agents. In addition, it is believed that high trust societies may be able to devote more resources to productive activities versus low trust societies. The model developed by Zak and Knack predicts that trust may be positively correlated to the level of SWB across-cultural groups or countries.

This study will look at the relationship between trust and subjective well-being, or life satisfaction. This impact is analyzed, controlling for other variables such as income, savings, freedom of choice and age in order to better understand how the relationship between trust and SWB is moderated by these variables. The study seeks to look at the effect of trust on well-being or, more specifically, life satisfaction and the moderating effects of income, family savings, freedom of choice and age. We are including these additional independent variables in order to rule out any other explanations for the effect of trust on life satisfaction.

The data used is from the World Values Surveys (WVS) (Inglehart et al. 2004). The WVS is administered by a network of social scientists in countries around the world allowing for analysis of cross-cultural differences across countries and time. The survey was conducted in 82 countries and was collected in 4 waves: 1990, 1995, 2000 and 2005. This study uses data collected in 1990, 1995 and 2000. The sample size in each country is at least 1000 subjects.

Trust is defined by the variable "Most people can be trusted" which is similar to the variables used by Zak and Knack. The dependent variable for this study is "Life satisfaction" which is ordinal. Additional variables include scale of income, family savings, freedom of choice and age. These additional variables were selected because we would like to control for these to see if the effect of trust is still significant on life satisfaction even after controlling for income, freedom, age, and savings. Analysis of the data was conducted using regression and partial least squares (PLS) in order to compare the results.

### Results

The model in this paper describes a relationship between the overall feeling of trust and the sense of life satisfaction held by the citizens of a particular country. This study did find support for the hypothesis that a significant relationship between levels of trust in a population and the overall life satisfaction or subjective well-being exists. This model demonstrates that variables other than income and savings have an important impact on subjective well-being. The feeling of trust is a cognitive variable that has a significant impact on how happy people feel. This indicates that there may be other important cognitive factors that can affect happiness and that objective measures of income and socio-economic class are not always indicative of the factors that can moderate overall life satisfaction.

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Zak, Paul J. and Stephen Knack (2001), "Trust and Growth," *The Economic Journal*, 111 (470), 295.

# The Subjective Well-Being of Buying: A Grounded Theory Analysis of Habitual Acts of Consumption

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People often experience a variety of emotional states, from happiness or excitement to sadness or depression when engaged in consumption activities such as shopping. These emotions are often directly tied to the ***process*** of consumption, for example the act of acquiring, storing, giving or throwing away products, rather than emanating from the consumption of the product itself. Acts of consumption, for the purposes of this paper, are defined as the search for, selection of, and the disposal of goods and services for the purpose of consuming versus the actual consumption of the product itself.

Subjective well-being (SWB) is a field of analytical study that attempts to understand how people evaluate their lives (Diener, Suh, and Oishi 1997). Researchers try to understand both the negative set of emotions that people experience (i.e. depression, compulsion) and the positive ones (i.e. joy, happiness, satisfaction) in order to measure the relative ratio between the two emotional poles. Many forms of consumption seem to have a significant effect on overall SWB. It would seem reasonable that the act of consumption could also have an impact on levels of SWB for individuals who are particularly attached to these acts such as shopping, browsing, purchasing, consuming, collecting and dispensing with.

This paper qualitatively examines the process of consumption in these various forms, and how habitual and hyperconsumption behavior impacts overall SWB. Particular interest is placed on analyzing the emotions, preferences, and the storage and dispensation habits tied to consumption. I hope to better understand how consumption increases and/or depresses SWB. The research questions investigated are:

What are the addictive qualities of shopping?
What drives people's decision making when they engage in hyperconsumption or compulsive consumption of products?
Why do people hoard goods? Why do people packrat?
What are the emotions associated with shopping?
How do people calculate values on things they desire, things they buy and things the keep or discard?
What conflicts arise from hyperconsumption?
What are the social contexts surrounding consumption and hyperconsumption?
Are there gender differences in how shopping, prices, hyperconsumption and hoarding are viewed?
What are the earliest experiences that influence consumption behavior?

What is unique in this study is that I develop a theoretical framework and a typology of how consumption impacts SWB.

Habitual behavior is often associated with addiction to various substances including alcohol, nicotine, cocaine, heroin, and marijuana and is a heavily researched area in the medical, economics, biochemistry, psychology and marketing literature (Becker and Murphy 1988; Bernheim and Rangel 2002; Carter and Tiffany 1999; Eisch and Mandyam 2004; Hassay and Smith 1996; Miyata and Yanagita 2001; Potenza et al. 2003; Stein et al. 1998; Ward and Hudson 1999; Wills, Pierce, and Evans 1996). More recent studies have looked into new areas of addictive or habitual behaviors that have deep emotional components for the user. Such new areas include, for example internet shopping, collecting and hoarding including trying to understand the neural substrates of addictive behavior (Anderson, Damasio, and

Damasio 2005; Belk, Ger, and Askegaard 2003; Frost and Hartl 1996; Hassay and Smith 1996; Maier 2004; Potenza et al. 2003; Reith 2004; Robinson and Berridge 1993; Young 2004).

Addictions often lead to out of control behaviors such as theft and lying or even more extreme circumstances such as violence and death. Compulsive buying may be similar to other types of addictive or compulsive consumption behaviors such as alcoholism, drug abuse, eating disorders and compulsive gambling in that it leads to a repeated behavior with detrimental outcomes (Hirschman 1992). O'Guinn and Faber define compulsive consumption as an uncontrollable impulse or desire to "obtain, use, or experience a feeling, substance, or activity that leads an individual to repetitively engage in a behavior that will ultimately cause harm to the individual and/or others" (O'Guinn and Faber 1989). Faber and colleagues analyzed self reported mood states for compulsive buyers and hypothesized that compulsive shopping may be a way of self medicating for depression and negative affect. The study found that compulsive buyers felt more extreme mood states and a wide array of mood states, particularly negative ones, before going shopping (Faber and Christenson 1996). It is believed that addictive behaviors like consumption may be a "dependent state acquired over time by a predisposed person in an attempt to relieve a chronic stress condition" (Gupta and Derevensky 1998; Jacobs, Marston, and Singer 1985).

This study is focused on understanding the relationship between addictive behavior patterns related to the acts of buying, storing and discarding, along with the emotional side affects of these activities. Structured long interviews were conducted with consumers on the topic of their consumption habits. This study used grounded theory to systematically analyze the data (Strauss and Corbin 1998). Grounded theory was used due to its suitability in generating theoretical insights from in-depth interviews (Venkatesh, Chen, and Gonzalez 2005). All data was put into a textual format in order to facilitate the coding process. Code memos were generated during and after the open coding process in order to document and identify some of the various concepts, categories, properties and dimensions emerging from the data.

In this study, several themes related to the emotionality of habitual shopping behavior emerge. The theoretical model developed out of the categories generated from the grounded theory process analyzes the impact of consumption on SWB. The model isolates the stages related to the acquisition and disposal stages of consumption. It shows categories of mental state, conflict, value, action and duration as the key variables that impact each of the consumption stages: searching, buying, storing and disposing.

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# Consumers' Reactions to Acquisitions of Socially Responsible Companies

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Increasingly, multinational companies are acquiring smaller, socially responsible companies that have loyal customer bases and attractive corporate images (Ben & Jerry's by Unilever, Body Shop by L'Oreal, Stonyfield by Danone). At the market level, these acquisitions are widely discussed by analysts in terms of operational and cultural fit between the two organizations (e.g., *Business Week,* March 17, 2006). However, from an academic perspective, we do not yet have a good understanding of whether and how consumers react towards two companies after such an acquisition.

## Conceptualization

Consistent with the literature that examines consumer-company relationships (Bhattacharya and Sen 2003), we focus on an acquisition's consequences for consumer-company identification (C-C), as identification has been shown to be a key psychological substrate for relational consumer behaviors such as loyalty and advocacy and ultimately, market value. Based on research in acquisitions (Datta et al. 2001), consumer perceptions of company behavior (Niedrich and Swain 2003), CSR (Bhattacharya and Sen 2001), and our own focus group findings, we propose that the impact of acquisitions on C-C identification is a function of three factors: (1) the CSR profiles of the acquiring and the acquired companies, (2) consumers' attributions regarding the companies' CSR policies, and (3) consumers' Social Value Orientation (SVO).

*CSR Profile and Consumer Attributions*. Sen and Bhattacharya (2001) suggest that the information consumers receive about CSR policies influences C-C identification. However, Du, Bhattacharya, and Sen (2006) suggest that awareness of CSR activities does not necessarily lead to favorability. Rather, favorability depends on the influence of consumer attributions about why a company follows CSR policies. These attributions can be extrinsic, where the company is believed to be primarily concerned with increasing its own welfare, and intrinsic, where the company is believed to be primarily concerned with fulfilling its obligations to society (Batson 1998). Thus, we propose that the relationship between companies' CSR profiles and C-C identification is moderated to the extent that consumers make intrinsic attributions, while extrinsic attributions are not expected to have an effect.

*The Role of SVO*. According to SVO theory, prosocial individuals tend to define social dilemmas as questions of morality, where people can make good or bad choices, whereas proselfs tend to perceive social dilemmas as questions of intelligence, where people can make strong or weak decisions (Van Lange and Kuhlman 1994). Thus, prosocials can perceive the acquisition as a "sellout" by the acquired company or as an opportunity to do more societal good. Moreover, Batson (1987) suggests that proselfs may also identify with the socially responsible acquired company, as long as doing so serves their egoistic motivations. Applied to acquisitions, this suggests that proselfs are less likely to make nuanced judgments about the conditions of an acquisition. Accordingly, while we generally expect SVO to operate as a second order moderator (i.e., SVO moderates the effect of attributions, which moderate the effect of CSR profiles on C-C identification), we desist from directional predictions.

## Methodology

We used a 2 (acquiring company CSR profile: low, high) x 2(acquired company profile: product-focused, CSR-focused) between-subjects experimental design, with 184 college students participating. The experiment was conducted in three phases. First, we measured participants' SVO using the nine-item Decomposed Games Instrument (Cremer and Van Vust 1999). Items in this instrument require a participant to choose from among three different allocations of points between themselves and an unidentified "Other." Scores range from 0 (completely proself) to 9 (completely prosocial). Second, participants received information regarding the two companies' profiles and then indicated an initial level of C-C identification toward each, as well as the extent to which they attributed the companies' CSR policies to intrinsic motives. Finally, after performing distracter tasks for 30 minutes, participants read a news story indicating the acquisition. Afterwards, the C-C identification and attribution measures were recollected, along with potential covariates.

## Results

The data were analyzed in a moderated multiple regression framework (Aiken and West 1991). The dependent variables were the changes in participants' C-C identification with each of the two companies. The independent variables were each company's CSR profile and measures of the participants' attributions and SVO. The results provide broad support for our conceptualization. We find significant heterogeneity in consumers' reactions to acquisitions, and this heterogeneity varies meaningfully with both company and consumer characteristics. Due to space constraints, we focus on the relevant two-way (a) and three-way (b) interactions.

(a) Consistent with our predictions, the two-way interaction of acquiring company CSR image and acquiring company attributions had a significant effect on consumers' identification with both the acquired ($\beta_{\text{2-way interaction}}$=.362, p<.001)[5] and acquiring companies ($\beta_{\text{2-way interaction}}$=-.417, p<.001).

When the acquiring company has a high, rather than a low CSR image, consumers' identification with the *acquired* company increases, but only when consumers attribute the acquiring company's CSR activities to intrinsic motivations ($\beta_{\text{high attribution}}$=.514, p <.001; $\beta_{\text{low attribution}}$=-.008, p=.939). However, consumers' identification with the *acquiring* company decreases when they attribute its CSR activities to intrinsic motivations ($\beta_{\text{high attribution}}$=-.443, p <.001; $\beta_{\text{low attribution}}$=.157, p=.111).

(b) As expected, the three-way interaction of acquired company CSR image, attributions regarding the *acquired* company, and SVO had a significant effect on consumers' identification with the *acquired* company ($\beta_{\text{3-way interaction}}$=-.292, p=.012). When consumers do not attribute strong intrinsic motives for the acquired company to engage in CSR, they identify less with the acquired company, regardless of their SVO ($\beta_{\text{proself}}$=-.112, p=.378; $\beta_{\text{prosocial}}$=.119, p=.359). However, when consumers do attribute intrinsic motives, (a) proself consumers identify more with the acquired company when it is CSR-focused versus product-focused ($\beta_{\text{proself}}$=-.285, p=.023), whereas (b) the identification of prosocial consumers with the acquired company is unaffected by the profile of the acquired company ($\beta_{\text{prosocial}}$=-.167, p=.217).

Also as expected, the three-way interaction of acquired company CSR image, attributions regarding the *acquiring* company, and SVO had a significant effect on consumers' identification with the *acquired* company ($\beta_{\text{3-way interaction}}$=-.318, p=.034). When consumers do not attribute strong intrinsic motives for the acquiring company to engage in CSR, both proself and prosocial consumers identify less with the acquired company regardless of its focus ($\beta_{\text{proself}}$=-.084, p=.585; $\beta_{\text{prosocial}}$=.202, p=.199). However, when consumers do attribute strong intrinsic motives for the acquiring company to engage in CSR, (a) the identification of proself consumers with the acquired company decreases regardless of the acquired company's focus ($\beta_{\text{proself}}$=.107, p=.448) and (b) prosocial consumers identify less with the acquired company when it is CSR-focused but do not identify with it any less when it is product-focused ($\beta_{\text{prosocial}}$=-317, p=.042). Further, and consistent with Sen, Bhattacharya and Korschun (2006), extrinsic attributions towards the acquiring company do not impact consumers' identification in any of the two-way or three-way interactions (all p's>.10).

## Implications

When asked to comment on recent acquisitions, financial analysts tend to focus on the gains the multinational will achieve by "catching the organic train." However, our results suggest that consumers' reactions to acquisitions are varied, depending both on the companies' profiles as well as personal attributions and SVO. One way for low CSR companies to strengthen consumer affiliations is to acquire a socially responsible company and promote intrinsic motives (via communication). Concerning the acquired company, our results suggest that the only way to strengthen consumer relationships is by promoting intrinsic attributions via communication and by positioning themselves as manifestly socially responsible. While acquisition seems to be a "no win" situation, strategic reasons will often compel it. Thus, managers should gain understanding of their customers' SVO, minimize perceptions of "sellout" from prosocials, and emphasize strategic benefits to proselfs.

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[5]All regression coefficients are standardized. Coding for the acquiring company CSR image is 0 (1)=low (high) CSR image. Coding for the acquired company CSR image is 0 (1)=product-focused (CSR-focused).

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# MySimon Sez: Reducing Negative Consequences of Missed Sales via Online Shopping Agents

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Previous research has shown that people can have negative reactions to a missed sale such as devaluation of the good or service (Arkes et al. 2002; Zeelenberg et al. 1996;), tenacious price expectations (Thaler 1985), and experienced (Arkes et al. 2002) and anticipated regret (Butler and Highhouse 2000; Tykocinski and Pittman 2001).

This research focuses on mitigating one possible negative consequence of missing a sale, inaction inertia, which occurs when missing a great deal causes a consumer to pass on a good offer (Tykocinski et al. 1995). In addition to forestalling realization of consumer utility, inaction inertia may have deleterious effects on commercial entities in that they are denied revenues and may experience negative word-of-mouth if the consumer believes the current offer to be unfair or unreasonable.

I hypothesize that use of an intelligent online shopping agent (OSA), such as MySimon, will counter the force of previous inaction by shifting the decision-maker's focus from the past to the present offer. This is because the OSA produces a list of recommendations ranked in order of ability to meet consumer criteria, a positive contextual comparison for the top-ranked recommendation regardless of previous price. This positive comparison will prompt adjustment of consumer focus (Mussweiler and Strack 1999) from the past to the present context, increasing likelihood of action.

## Method

*Participants and Procedure*. Two hundred fifty-four people participated in the study. Approximately 50% were undergraduate business students and 50% were recruited from the general population via email solicitation. Inaction inertia research typically features only one actor, the consumer. This research varies both the cause of the missed sale and the source of information on the current offer in order to provide a broader exploration of this sequential choice effect. The study used a 2 (price difference: low vs high) X 2 (cause at T1: Self vs OSA) X 2 (source at T2: Self vs OSA) between subjects design. Similar to much of the research on inaction inertia, an online scenario was employed in which the participant was first informed that he/she had missed an attractive sale. The missed sale was either 55% off (high difference) or 35% off (low difference) an $80 laptop backpack. The participant was then told that he/she got information on a 25% off sale on the backpack. Participants indicated whether or not they would buy the backpack at the 25% off price and then responded to a series of measures. Inaction inertia occurs when the proportion of respondents who choose not to buy is significantly higher in the high difference condition than in the low difference condition.

*Measures*. The dependent variable was acceptance or non-acceptance of the 25% off deal. The independent variables were: price difference (high/low), cause of T1 miss (Self/OSA), and T2 information source (Self/OSA). None of the covariates (race, age, whether the participant was currently in the market for a laptop backpack, and number of backpacks previously purchased) was significant.

## Results

*Self at T1*. To facilitate comparison with previous research, the analyses were separated by the cause of the miss at T1. Logistic regression revealed that when the consumer was told that he/she caused the miss at T1 and that he/she found the current offer (Self-Self), 58% chose not to purchase in the high difference condition vs. only 32% in the low difference condition (p< .021). When the actors were Self-OSA, 50% choose not to purchase in the high difference condition vs. only 17% in the low difference condition (p< .002). Logistic regression also revealed that employment of an OSA at T2 significantly reduced the likelihood of inaction inertia. An average of 48% chose not to buy when the actors were Self-Self versus 32% when the actors were Self-OSA (p< .05). Thus, the hypothesis was supported.

*OSA at T1*. Given the proliferation of online shopping agents, it is likely that a consumer may employ a shopping bot at T1. While these agents may be unlikely to miss a sale offered by well-known vendors, they might miss a sale offered by small or local retailers. The second analysis evaluates the likelihood of inaction inertia when the OSA causes the miss at T1. In this condition, there was no evidence of inaction inertia and there was far less inaction overall, 23% non-acceptance with the OSA at T1 vs 39% with the Self at T1.

**Discussion**

These findings suggest that inaction inertia is less likely when an OSA facilitates subsequent choice. Moreover, when an OSA causes a great sale to be missed in the first place, the overall likelihood of inaction is lower than when the consumer causes the miss. Different explanations may explain this occurrence. It may be that the OSA recommendation provides a positive contextual comparison that reduces focus on the past. Alternatively, the OSA may function as a scapegoat freeing the consumer to take any action, good or bad. Future research will seek to identify the mechanisms by which this reduction occurs.

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# A Psychophysical Approach to Assessment of Relationship between Vehicle Color and Purchase Price

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Psychological research on consumer behavior has shown that the emotional state of consumers can affect their purchase decision making in various ways. An interesting topic that has been the focus of these studies is the psychological or emotional impacts of various non-functional attributes of the products or the purchase environment that are not directly linked to their core properties. For example, Milliman (1982) found that the type of music played in a grocery store affects the consumers' shopping behavior, spending a longer time at the store when slow music is played. Other studies have also shown differential effects by color (e.g., Bellizzi and Hite, 1992; Gimba, 1998; O'Neill and Lambert, 2001). Gimba (1998) emphasized the importance of color in the marketing environment and stated that color affects the mind and body in different ways, and certain colors convey a different meaning not only to different cultures but also within a single culture.

The past studies have shown that in today's consumption environment with abundant and various products, such as seen in the United States, emotionally appealing attributes have a substantial impact on consumer's attitude toward a brand. Naturally, the level of impact of these 'emotional' attributes is expected to be high when the consumer purchasing experience is highly involved, such as an automobile. Powers (2006) demonstrated that when consumers are purchasing new automobiles with a high emotional appeal, such as sporty coupes or convertibles, the price they pay for the car is affected by its color. Though limited in its scope with only a selected group of vehicle types, the study was the first attempt to empirically assess the impact of color on vehicle purchase decisions in the real-world setting.

This paper presents an empirical study that further investigates the relationship between vehicle color and purchase decision making on an automobile, expanding its scope with respect to the number of vehicle types and segments being tested (i.e., midsize cars, pickup trucks, etc in addition to sporty cars). All the vehicle models sold in the US market were analyzed to assess the prevalence rate of price differences associated with vehicle color. The approach allows us to understand the generalizability of the color-price relationship found in the previous study by Powers (2006). In addition to examining the prevalence rate, the price 'elasticity' due to color differences is quantitatively assessed by applying the psychophysics concept. Analyses are based on point-of-sales data of new vehicles collected from automobile dealers in the California market. Utilizing the large historical database with over two million transactions from 1999 to 2003 that includes all the vehicle models sold in the United States, exhaustive statistical analyses were conducted to assess the differential impacts of vehicle color on purchase price. Statistical comparisons with analysis of variance (ANOVA) were performed while controlling for other attributes, such as engine type, door type, etc., to ensure that observed price differences were in fact due to the vehicle color. Approximately 400 vehicle models (e.g., Ford Taurus, Dodge Dakota, etc.) with a sufficient number of transactions were retained for analysis (n>100 for each cell count when considering the attributes). Out of these 400+ models, over 1000 comparison sets were created to control for these various attributes that could contribute to price differences.

Analysis results based on the 1000+ comparisons demonstrated statistically significant differences due to color at a respectable prevalence rate of 7.6% when all the tests were conducted at the alpha level of 0.05. The prevalence rate varied from segment to segment, showing results consistent with expectation. In particular, sporty cars, which are considered to have a high emotional appeal, indicated 13.2% of comparisons showing significant differences. The price 'elasticity' or the price difference ratio (i.e., % difference between highest-color mean price and lowest-color mean price) was found to be fairly consistent from segment to segment. The overall ratio across segment was 5.3% with the lowest and the highest being 4.1% (SUV) and 6.7% (Sporty Cars), respectively. This means, for a $30,000 sports car, a car buyer could pay approximately $2,000 more (i.e., $30,000 times 6.7%=$2,010), when the vehicle color is an important and emotionally appealing decision making criterion for the buyer.

These empirical results offered further evidence that consumers' perception and emotional evaluation of color plays such an important role in decision making that it has a noteworthy influence on consumer's evaluation about the price of an automobile. Furthermore, the present study provided quantitative information regarding the relationship between color and price with automobile purchase. There are many vehicles in the market that the color is a very important decision making criterion, and consumers are willing to pay more for a car of choice simply because of its color. This implies that purely emotional attributes can be a very powerful tool for pricing strategies of automobile sales. It is interesting to explore how these differences due to color are influenced by consumer characteristics (e.g., gender or age), regions (e.g., urban versus rural), and how they interact with vehicle types (e.g., luxury versus non-luxury). Further investigation in these areas will help us better understand the relationship between the emotional attribute and purchase price decision.

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# Airing Dirty Laundry in the Public Square: An Examination of Public Complaining and the Mitigating Effects of Branding

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### Abstract

"Customer created complaining websites" (CCCW's) are a potentially serious threat to brands. At least 50% of Fortune 1,000 companies have been targeted by CCCW's. Extant studies provide useful descriptions, but surprisingly, related empirical research does not exist. This paper attempts to fill this gap by empirically investigating effects on consumers' behavioral intentions, and the potential protection of strong branding. Results indicate a significant interaction between exposure to CCCW and strong branding, suggesting that CCCW's reduce consumer perceptions, but strong brands offer some protection. Consistent with reactance theory, if the targeted brand is among a consumer's favorites, perceptions are ironically increased.

### Conceptualization

The advent of the Internet into markets continues to force the evolution of market dynamics (Deighton 1997; Lamb et al. 2006). One such change is that customer complaining is being transformed from a relatively private behavior to a quasi-public activity (Ward and Ostrom 2006), such as on consumer created complaining websites (CCCW's). These sites are widespread, and a potentially serious threat to brands. It is estimated that half of all Fortune 1,000 firms have been the target of a CCCW (Trigaux 1999), including venerable brands as Wal-Mart, Allstate Insurance, Viacom, and Toys'R'Us (France and Muller 1999).

This study investigates 1) the effect of CCCW's on consumers' behavioral intentions regarding the brand and 2) the potential of a strong brand to protect against negative information attacks. This research contributes by extending findings of extant studies (Ward and Ostrom 2006; Ward and Ostrom 2003), which provide useful descriptions of the phenomenon.

### Customer Created Complaining Websites

The Internet is enabling consumers to become active broadcasters of market information. As a result, the marketplace is transforming into one in which marketers and consumers participate in a communication network. One particularly interesting instance of this is manifest in websites created by consumers to communicate their dissatisfaction to other consumers.

CCCW's share several similarities with civic protests: 1) CCCW often present firm failures as a betrayal of consumer rights, 2) CCCW often present stereotypes of evil executives, and 3) CCCW's typically emphasize individual and collective efficacy in standing up to the firm (Ward and Ostrom 2006). These features combine to create a potently persuasive message, especially in light of the negativity effect.

### The Negativity Effect

Consumers give greater weight to negative information than to positive (Ahluwalia 2000; Ahluwalia et al. 2001; Mizerski 1982). This well known finding is referred to as "the negativity effect" (Ahluwalia 2000; Ahluwalia et al. 2001; Anderson 1981; Fiske 1980). This is thought to occur because consumers consider negative information to be more diagnostic than positive. (Maheswaran and Meyers-Levy 1990; Skowronski and Carlston 1989). It is predicted that negative information will be disproportionately weighted, and will reduce consumer behavioral intentions.

*H1*: Exposure to negative information about a brand in the form of a customer created complaining website will reduce consumers' behavioral intentions related to repurchase.

**The Buffer Effect of Existing Brand Attitudes**

When a person is familiar with an object, the person's existing attitude guides the processing of new information related to that object (Petty and Cacioppo 1986). People pay selectively greater attention to information consistent with their attitudes (Frey 1986). Biased processing is also evident in people's ready acceptance of information consistent with existing attitudes (Kunda 1990; Petty and Cacioppo 1986), and in their perception of such information as more persuasive (Edwards and Smith 1996; Petty and Cacioppo 1986). Participants who are familiar with and like a brand are predicted to use these attitudes as a guide in processing negative information.

*H2*: The effects of exposure to CCCW specified in H1 will be attenuated when the brand is one that the consumer is familiar with and likes, as compared with one with which the consumer is unfamiliar.

**Study 1**

*Method*

In the first study, 122 undergraduate students (77 females) were randomly assigned in a 2 (negative information: present or absent) x 2 (brand: familiar brand or unfamiliar brand) between-subjects factorial design. Participants were shown a webpage based on a well known, or fictitious, service provider. Negative information condition participants were shown a CCCW modeled after a related website, while others proceeded directly to the questionnaire. The dependent measure-behavioral intentions related to repurchase-was measured using three items adapted from Zeithaml, Berry, and Parasuraman (1996).

*Major Findings*

A brand (familiar or unfamiliar) x negative information (present or absent) between-subjects analysis of variance (ANOVA) found significant main effects for brand $[F(1,121)=38.70, p<.001]$, and negative information $[F(1,121)=12.08, p=.001]$, qualified by a significant interaction $[F(1,121)=4.07, p=.046]$. Consistent with predictions, negative information reduced behavioral intentions more sharply for the unfamiliar brand. The main effect of negative information was interpreted as support for H1, while the interaction was interpreted as support for the H2.

**Study 2**

The context of study two was a tangible product-fashion clothing. Finding were extended by investigating circumstances under which an existing attitude goes beyond buffering. When existing attitudes are strong, negative information may enhance behavioral intentions, as predicted by reactance theory.

*Reactance*

Reactance theory (Brehm 1966; Brehm and Brehm 1981; Wicklund 1974) posits that resistance to persuasion results from a motivation to preserve personal freedom when such freedom is threatened by a communicator. The message recipient may reassert their freedom by moving their attitude further away from the advocated position. It is predicted that when negative information contained in a CCCW consists of such arguments, consumer's will react by raising their behavioral intentions.

*H3*: Negative information in the form of a CCCW consisting of arguments that threaten a consumer's freedom to disagree will enhance behavioral intentions towards familiar brand, but decrease them for an unfamiliar brand.

*Method*

A total of 125 undergraduate students (69 females) at the same university took part in a 2 (negative information: present or absent) x 2 (brand: familiar or unfamiliar) between-subjects factorial design. The same procedure was used, except the target brand was chosen through a process designed to elicit a personally relevant brand, eliciting reactance. For the unfamiliar brand conditions, an Australian brand of fashion clothing was used.

*Major Findings*

A brand (familiar or unfamiliar) x negative information (present or absent) between-subjects analysis of variance (ANOVA) was conducted. A significant main effect was found for brand $[F(1,116)=47.56, p<.001]$. The main effect of negative information was not significant $[F(1,116)=.409, ns]$. There was a significant brand x negative information interaction $[F(1,116)=5.62, p=.019]$. Consistent with H3, exposure to negative information resulted in an increase in behavioral intentions related to repurchase for a familiar brand, but a decrease for an unfamiliar one.

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# Two Designer Skill Sets: Perspective Taking and Creativity

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Designers are those who create concepts for new products. Considering the impact of new products in business world, it is important to know what psychological skill sets are required to create successfully appealing new product concepts. As psychologists suggest creative tasks must be novel as well as appropriate (Amabile 1996), marketing scientists generally believe that appealing new products are not only novel (i.e., original, unexpected, innovative) but also appropriate (i.e., useful, practical, effective). As originality has been the more respected than appropriateness, concept originality is known to be enhanced by a list of skill sets including visual imagination, analogical thinking, and creativity (Dhal, et al. 1999, Dahl and Moreau 2002, Moreau and Dahl 2005). Then, how to enhance the other dimension, appropriateness?

There has been very little discussion about how to improve appropriateness because researchers on creativity have considered appropriateness as an unavoidable constraint of their research topic. New product researchers also have found that most skill sets that successfully enhance concept novelty either decreases concept appropriateness (Dhal et al. 1999; Jansson and Smith 1991) or have nothing to do with it (Moreau and Dhal 2005). In the present research, I propose that perspective taking is one of many skill sets that enhance the concept appropriateness. Since perspective taking is known to increased overlap between self and other (Galinsky, Ku, and Wang 2005; Galinsky and Moskowitz 2000), it will help people identify more quality needs of other. This proposition is partially supported by Dahl et al. (1999) that consumer participation improves appropriateness of new product concepts. Combining literature on creativity with the reasoning above, I claim that designers who create appealing new product concepts need two skill sets- creativity and perspective taking- and that two skill sets take different routes for an overall concept appeal: creativity enhances concept novelty, perspective taking improves concept appropriateness.

Study 1 investigated if measured perspective taking and measured creativity predict an overall appeal of new product concepts. Thirty four Engineering students in one course, Product Design, designed new mobile phone concepts for children. Their concepts are analyzed with their scores of trait perspective taking measured by IRI (Interpersonal Reactivity Index, Davis 1983) and trait creativity measured by Gough Personality Scale (Gough 1979). As expected, this study generally demonstrated that highly perspective taking subjects scored higher in their concept appropriateness than lowly perspective taking subjects and highly creative subjects scored high in their concept novelty than lowly creative subjects.

In the next two studies, the role and limit of perspective taking were examined under a hypothesis: perspective taking improves the performance of problem identification but it does not improve the performance of problem solution. In study 2, 32 commerce program undergraduate students were asked to list as many problems and solutions as possible that a preschool child may encounter when she uses a mobile phone designed for adults. One group of subjects were instructed to actively take the perspective of a child and the other group of subjects were asked not to be involved with perspective taking. Study results confirmed the hypothesis. Perspective-taking subjects reported significantly more problems (5.67) than non perspective-taking subjects (4.35, t=1.72, p<.10). Two groups of subjects, however, did not show significant difference in the number of solutions. As expected, the number of solutions was positively predicted by the number of problems ($\alpha$=1.16, t=5.43, p<.001), suggesting that solutions depend on problems.

In study 3, experimental stimulus was changed to a service product (i.e., emergency department) to generalize the findings and previous experience was measured to rule out an alternative explanation. In total, 36 commerce program undergraduate students were asked to list as many problems and solutions as possible that family members encounter when they are at emergency department. One group of subjects were asked to take the perspective of one member of family, whereas no instruction was given to the other group of subject. The results replicated those in study 2. Subjects who took the perspective of a family member reported more problems (3.81) than those who did not (2.13, t=2.92, p<.01). Again, two groups did not show any difference in the quantity of solutions. Interestingly, 22 subjects who had experience in emergency department reported fewer problems (2.45) than 14 subjects who had no experience (4.14, t=2.66, p<.05), suggesting that previous experience does not guarantee a better performance in problem identification.

The findings obtained from three studies generally supported that perspective taking enhances appropriateness of new product concepts by improving the performance of problem identification and it does not necessarily lead to improved problem solution that creativity is required. All in all, designers who create new products need both perspective taking and creativity to improve their appropriateness as well as their novelty.

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# The Robin Hoods of the Information Age: The Differential Effects of Financial and Time Expenditures on Sharing

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## Motivation

According to the research conducted by the Motion Picture Association of America (MPAA) one-third of all internet piracy is committed by college students in the United States. Moreover, the vast majority of Internet piracy in the U.S.-71 percent-is committed by individuals between the ages of 16 and 24. Furthermore, the MPAA states unequivocally that "downloading a movie off of the Internet is the same as taking a DVD off a store shelf without paying for it." Nevertheless, moviemakers, songwriters, and software designers alike lose billions of dollars every year as a result of mass pirating of their products. However, it is unclear what motivates consumers to forego their moral and ethical standards as they contribute to the online file sharing frenzy? How do they justify getting involved in illegal and potentially punishable pirating activities? While the extant literature on prosocial behavior may help explain the motivation for sharing (see Gilbert et al. 1998 for review), it does not elucidate why otherwise law-abiding citizens choose to get involved in unlawful product sharing practices. The present research is an attempt to answer these pressing questions.

## Conceptualization

While there is certainly a positive side to online sharing (e.g., Internet support groups), we focus on the harmful pirating activities. Furthermore, making use of online resources is a part of Internet sharing regardless of whether or not participants make similar contributions themselves (Belk 2007). For example, Nunes, Hsee, and Weber (2004) have documented consumer inclinations to pay for online goods and services as a function of whether the product's cost is principally attributable to variable cost or fixed cost. However, while economic gains of using unlawful (shared) products are obvious, the rewards and/or motivation for allowing others to use products one owns are still unclear. Hence, the present research addresses the latter issue.

Giesler (2006), in his netnographic study of a consumer gift system in peer-to-peer music file sharing practices at Napster, found this community to exemplify all classic gift system indicators. More specifically, the author suggests that "music sharing binds a complex consumer system of social solidarity" (p. 289). Gift giving, on the other hand, usually presupposes prior ownership with a right to give. Hence, we argue that consumers must assume such ownership of the products they make available to others in order to justify their otherwise unlawful actions. Moreover, we posit that time and effort one puts into making the product available to others (e.g., cracking, modifying, and uploading software) leads to such sense of ownership.

In addition, the dual entitlement theory (Kahneman et al. 1986) provides another potential explanation for how one may be able to justify participation in illegal product sharing. More specifically, when consumers consider a price they have paid for a product to be high and perhaps unfair; they may feel that fairness would be restored if they somehow increase the utility they gain from the acquired product. Hence, making the product available to others may increase the utility derived from the product by providing a sense of vindication, a positive feeling as a result of 'helping' or 'giving a gift', or all of the above.

Both, time spent on making the product available to others and the price paid for the product are expected to influence one's ability to justify sharing a product. Moreover, we predict an interaction of these predictors which we test in Study 1.

## Study 1

Study 1 followed a 2 (financial expenditure) x 2 (time expenditure) design, where both factors were manipulated at 2 levels (low cost: $15, high cost: $150; low time expenditure: 15 minutes, high time expenditure: 3 hours.) Participants read the following scenario:

Imagine that you were required to purchase a software package for a Business Statistics class to go along with the textbook. You found the required B-STAT Software at the university bookstore and purchased it for *$15 (150).* Later in the semester, you heard that there is an online community of college students who have taken, are currently taking, or are planning on taking a Business Statistics course. The community website offers a chat room in which students can ask and answer course-related questions, share tips, and even software. The website provides directions and leads you through a number of steps that are required in order to upload software you might be willing to share. Specifically, it would take one *15 minutes (3 hours)* to crack, modify, and upload the B-STAT package. Please provide your honest answers to the following questions. Note that your responses on this survey are strictly confidential!

Participants then responded to a 9-point Likert-type scale asking, "How likely would you be to share the B-STAT Software package with other online community members at this time?" where 1 indicated that they were "extremely unlikely" and 9 indicated that they were "extremely likely" to share. Following this measure, participants reported their affective response to sharing by stating their level of agreement with the following statements "Sharing software would make me feel proud," "Sharing software would make me feel satisfied," and "Sharing software would make me feel happy," with endpoints "Strongly Disagree" (1) and "Strongly Agree" (7), and labeled at the center with "Neither Agree nor Disagree."

**Major Findings**

Data was subjected to a 2 x 2 ANOVA, with likelihood of sharing and affective response as the primary dependent measure. Affective response was calculated by creating an index of the above three items (*alpha*=.93). The analysis showed a significant interaction of cost and time expenditures, such that individuals in the high cost condition were most likely to share only when they had also invested the greater amount of time in preparing the software to share ($M_{LowCost, LowTimeExpenditure}$=4.34, $M_{LowCost, HighTimeExpenditure}$=3.78, $M_{HighCost, LowTimeExpenditure}$=3.91, $M_{HighCost, HighTimeExpenditure}$=5.92, $F$ (1, 102)=5.93, p<.02). An analysis of the affective response index suggests that this increased propensity to share among participants who paid the higher cost for the software is associated with a more positive affective response to sharing attributable to their time investment ($M_{HighCost, LowTimeExpenditure}$=9.46, $M_{HighCost, HighTimeExpenditure}$=11.61, $F$ (1, 52)=2.82, p<.1). No similar relationship between time expenditure and affective response existed among participants who had paid less for the software (F<.1, p>.8).

**Future Studies**

Future studies will address specific rationales consumers use for justifying their unlawful actions and suggest potential remedies. Moreover, the extant literature on sharing suggests that these rationales may vary significantly across cultures (Belk 2007). Given the multi-cultural and multinational nature of online communities, we believe it would be of extreme importance to study the present phenomenon in a multicultural setting.

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# A Three-Factor Model of Consumer Preference for Self-Designed Products

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In this research, we develop a three-factor (i.e., outcome accuracy, mere authorship, and process affect) model of consumer preference for self-designed products. We propose that the preference structure for self-designed products can be determined by one, two, or three of the factors. A study involving 512 participants designing, in different task formats, a Nike iD sports shoe and then evaluating, after different lengths of delay, their self-design embedded in a set of 30 different designs provides preliminary support for this model.

We define outcome accuracy as the extent to which the customized product created by consumers in the self-design process maximizes their pre-existing enduring preferences. When creating their self-design, consumers need to transfer their needs and wants into a concrete product specification by making a series of choices. Although finite, the solution space within which consumers make sequential design decisions can still be enormous. For example, the design task carried out in our study involved 60,374,160 different possible designs. As the solution space enlarges, the accuracy with which a solution within this space matches the pre-existing ideal point of an individual consumer increases. However, the effort that needs to be made by that consumer to find such a solution also increases. We expect that an accuracy-effort tradeoff is likely to be made by consumers. We thus consider outcome accuracy as the extent to which consumers' pre-existing ideal point is approximated by the outcome of the self-design process wherein consumers perform an effortful but not exhaustive search within the design solution space. We propose that as outcome accuracy increases during self-design, subsequent evaluations of the self-designed product will also increase (even after a delay). Consumer preferences can be stored evaluations or context-sensitive constructions (e.g., Wilson, Lindsey, and Schooler 2000). By assuming consumers make accuracy-effort tradeoffs, we allow for the existences of both types of preferences at the time of creating the self-design. Likewise, by proposing that outcome accuracy can partly or completely determine consumers' preference for their self-design, we also allow for the existences of both stored evaluation (as outcome accuracy) and context-dependent construction (as mere authorship) at the time of evaluation.

Mere authorship is the extent to which consumers prefer products that are believed to have been self-designed, regardless of the validity of that belief. People have been found to infer attitudes from observations of their own behavior (e.g., Fazio 1987). We propose that, at the time of evaluation (i.e., after the self-design process and in a different context), consumers might construct their preferences for a product based on whether they believe they self-designed the product or not. According to the positivity bias in human cognition (Heider 1958), this contextual inference can bias preference such that "I like it merely because I designed it."

Process affect is the extent to which the self-design process generates positive emotions that are associated with the self-designed product. The self-design process usually operates in an interactive online environment wherein consumers are allowed to work on different product components in a one-by-one, back-and-forth, self-paced fashion. As a result, they can gain a certain level of familiarity with their self-design. Companies also try to make the self-design process as user-friendly, intriguing, and entertaining as possible. According to research conducted on sensory affect (e.g., Schimmack and Crites 2005), such a process can give rise to positive emotions that are similar to innate sensory affect, classic conditioning, and mere exposure. They are also similar to integral emotional responses (Pham 2007). We

propose that the positive emotions consumers experience in the self-design process are attached to the outcome of this process. Therefore, at the time of evaluation, process affect contributes to consumers' preference for their self-designed product.

In this research, we experimentally simulated self-design creation and subsequently measured self-designed product evaluation. We manipulated the format of the creation task and the delay of the evaluation task. We measured consumers' memory and preference for their self-design. We propose that, first, if outcome accuracy is the major determinant, because this construct is enduring and context-independent at the times of creating and evaluating the self-design, neither format nor delay should have an effect on memory or preference. Second, if mere authorship is the major determinant, because this response bias is a context-dependent construction at the time of evaluation, both format and delay should have an effect on memory or preference. Moreover, these effects should be mediated by the recognition of the self-design. Third, if process affect is the major determinant, since this affect is generated by the self-design process, different types of format of the self-design creation task should have an effect on memory and preference. Depending on how long this effect can last different lengths of delay of the self-design evaluation task could also have an effect. However, these effects should not be mediated by recognition.

Our study used a 2 (format of self-design creation: online vs. paper-and-pencil) x 2 (delay between self-design creation and evaluation: one-week vs. four-week) between-subject design. 192 participants performed the online design task and 164 performed the paper-and-pencil task. Participants in the online design task were directed to a webpage at Nike's website, where they were able to self-design a Nike iD sports shoe of a pre-selected model for themselves. They could either start with one of four gender-specific "inspirations" (existing styles created by Nike's professional designers), modifying it into a new style or, alternatively, start with an all while shoe model, creating their own style from scratch. The self-design task involves choosing a color from a palette of colors (ranging from 6 to 12 in number) for each of the seven shoe components (i.e., base, secondary, swoosh, accent, lace, lining, and "shox"). Participants in the paper-and-pencil design task were given a coloring book and a set of color pencils, through which they were also able to self-design a sports shoe of the pre-selected model for themselves. Although the solution space for both design task formats was manipulated to be identical, the paper-and-pencil format lacks the interactivity, vividness, and user-friendliness that are unique to the online format. Before and after the self-design task of both formats, self-design process measures were taken including perceived ease, performance, and enjoyment of the design task.

Participants unexpectedly received an email inviting them to participate in the evaluation task either one week or four weeks after they had completed the self-design task. A set of 30 different shoe designs was prepared as stimuli. It consisted of ten "cluster designs," ten "random designs," nine professional designs, and one self-design. The ten cluster/random designs were created/selected based on the pool of 156 self-designs collected in a pretest conducted on a separate group of 156 participants. The nine professional designs were the eight inspirations (four for men and four for women) and the all white shoe model that participants encountered in the design task. The self-design was specific to each participant. Without being informed whether their self-design was included in the set, participants rated each of the 30 designs in terms of initial liking (yes/no), preference (1-100 scale), and likelihood of being their self-design (1-100 scale), as well as identified their self-design among the 30 designs.

Results showed that the number of unique self-designs equaled the number of participants. This high level of preference heterogeneity seems to argue for the role of mass customization in shoe industry because the larger the heterogeneity of consumers' preferences, the larger they can gain from customization the increment of utility of a product. Participants in the online self-design task format reported a significantly higher level of process affect than participants in the paper-and-pencil format. Moreover, participants demonstrated an accurate memory and a high preference for their self-design, relative to the other 29 designs in the set that were created by professional designers or by their peers. The memory rating for the self-design tripled the average rating over the 29 designs. The preference rating for the self-design doubled the average rating. Over two third of participants correctly identified their self-design. Further, we found a format and a delay effect on memory, as well as a format and a delay effect on preference as mediated by the recognition of the self-design. The pattern of results generally supports the proposed three-factor model.

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# When Social Influences Have Far Reaching Implications

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Recent research on the impact of social influences has highlighted the notion that consumers' thoughts, feelings and behaviors are influenced by their social environment. This research can be divided into work that either investigates the impact of an interactive social presence (e.g. Childers and Rao 1992) or simply the mere presence of another person (Argo et al. 2005; Dahl et al. 2001; Zhou and Soman 2003). In the present research we seek to explore a situation that encompasses both types of social influences by investigating a sequence

of social events and their combined influence on a consumer's tendency to engage in an altruistic act. In particular, we are interested in understanding how a partial interaction between two consumers (i.e., one shopper comments to another shopper without receiving a reply) can drive the consumer receiving the comment to subsequently assist a third person. Further, we explore the impact of two characteristics related to the comment on the likelihood that help is provided including valence (i.e. positive or negative) and agency (i.e., whether the social information received by the consumer during the interaction is self-caused or other-caused). To forward predictions about helping behavior we draw from two bodies of literature: affect (Barbee et al. 1998, Bagozzi, Gopinath and Nyer 1999, Schaller and Cialdini 1990) and social identity theory (Tajfel and Turner 1979, 1986).

According to research on altruism, mood is a key driver of helping behavior. For example, factors such as success or failure at a task (Berkowitz, 1987) or the weather (Cunningham, 1979) have been shown to influence helping because of the affect they elicit. Furthermore, people in experimentally induced states of happiness (vs. those in either neutral or negative moods) have been found to be more likely to provide help (Barbee et al. 1998). This affect-based account of altruism suggests that positive as compared to negative information received during an interaction should lead to a higher altruistic propensity. However, it is possible that affect may not function as a sole determinant of altruistic behavior and that under certain circumstances (namely, in the case of self-caused agency) emotionally charged social information may be used by the recipient to draw inferences about his/her social adequacy.

Social identity theory (Tajfel and Turner 1979, 1986) and the concept of ingroup identification imply that a person should behave in a manner that consolidates his/her position within the social group of interest. Thus, when consumers receive social information that is self generated (i.e., is directed to the self) and the information threatens their self and their role in the group, they will respond in such a way as to reaffirm their position as a good group member and will be likely to help a third person. In contrast, when the self generated information is enhancing (i.e., flattering), consumers will not feel the need to reaffirm their role in the group and will not be motivated to engage in helping acts. Note that, for the social identity mechanism to operate, the consumer must be able to draw inferences about his social adequacy from information conveyed by the other person. This happens in the case of self-caused agency (Bagozzi, Gopinath and Nyer, 1999). When the consumer receives a compliment, he can easily infer that he is a good (if not superior) member of the social group. By contrast, in the case of other-caused agency, inferences about self-performance are hard to make. For example, when encountering a fellow-shopper who curses, the consumer may simply attribute the negative signal to the other's character, instead of inferring a personal flaw. In sum, we believe that both affect and social identity are needed to account for altruistic behavior. Helping should be influenced by how people appraise the valence and agency of social information.

To investigate these influences, data was collected from North American undergraduate students. Participants read a scenario and were asked to imagine the situation described as if it was happening to them. The scenario described a shopping experience at the checkout of a supermarket. Participants read that while standing in line, a shopper behind them makes a comment specifically directed at them. They acknowledge the comment without giving a reply, pay for the groceries and head for the supermarket exit. The scenario ends by indicating that on the way out, they notice another shopper drop their grocery bags on the supermarket floor. The scenarios were identical across conditions, except for one phrase containing the comment provided by the shopper in line. This comment was used to achieve the manipulations of agency and valence of the social information: self/positive (the shopper "compliments you"); other/positive (the shopper "makes some friendly small-talk"); self/negative (the shopper "makes a negative comment that you find rude"); other/negative (the shopper "grumbles"). Participants then completed a survey that asked how likely they would be to help the shopper pick up the scattered groceries.

Results revealed the predicted interaction. In the other-caused agency conditions, the direction of effects supports the affect-based account of altruism, as participants were more likely to help when the previously encountered shopper was friendly (vs. grumpy). However, the direction of effects is reversed for self-caused agency, supporting social identity theory. Specifically, participants were significantly less likely to help when the comments of the shopper were flattering (vs. threatening). Overall, our study provides preliminary evidence for a powerful social influence on altruistic propensity, and suggests the need to bridge the literatures on affect and social identity in order to gain better understanding of helping behavior.

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# You and Us: Causal Effects of Language Use on Consumers' Perceptions of Brands

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"Imagine a global financial firm with the heart and soul of a two-person organization. A world-leading wealth management company that sits down with you to understand your needs and goals… You & Us. UBS." (www.ubs.com).

"Together, We're Making a Difference. For over 25 years, Whole Foods Market team members, customers and suppliers have worked to make the world a better place." (www.wholefoodsmarket.com)

The excerpts above illustrate the commonsense belief that portraying the affiliation between the brand and the consumer in terms of an intimate interpersonal bond should lead to more favorable attitudes among consumers. Referring to consumers and the brand in terms of 'you and us' in the UBS slogan as opposed to 'we' in the Whole Foods Market statement may seem equally effective. Likewise, whether these messages are perceived by existing customers or by potential ones may seem totally inconsequential.

The present research challenges both these assumptions. We demonstrate that language variations as subtle as pronoun use can have significant effects on consumers' attitudes toward brands. These effects can be either positive or negative, depending on people's relationship status with the brand (i.e., customers vs. non-customers) as well as on the specific brand domain. In domains in which brands are perceived as equal partners (e.g., banking), using the pronoun 'we' instead of the phrase 'you and the brand' can lead to more favorable attitudes among customers but to less favorable attitudes among non-customers. Conversely, in domains in which brands are perceived as partners in a hierarchical relationship (e.g., healthcare), using the phrase 'you and the brand' instead of the pronoun 'we' can lead to more favorable attitudes among customers but not among non-customers.

## Mediation Hypothesis

Consumers have implicit beliefs about what is appropriate in their relationships with different brands (Aaker et al 2004). They may rely on their knowledge of their affiliation with the brand when evaluating language use, to make dispositional attributions about the brand: when language is in harmony with their beliefs, the brand is perceived as more trustworthy, leading to more positive attitudes overall. When language is incongruent with consumers' beliefs, they may attribute this discrepancy to negative dispositions such as dishonesty, leading to less positive attitudes. We therefore hypothesized that the moderated effect of pronoun exposure on attitudes is mediated by perceptions of brand-honesty.

An alternative possible mediator is processing fluency: when consumers interact with brands for which they have stored linguistic representations, these are likely to become more accessible and, in turn, facilitate processing of congruent information but not of incongruent information. Fluency, in turn, leads to more favorable attitudes (Schwarz 2004).

In a pretest, we asked participants to rate as either equal or hierarchical their relationships with their real brands in several domains. The results indicated that consumers perceive their relationships with their banks as significantly more equal than their relationships with their health-insurance providers (p<.001). Consistent with the conceptualization above, we predicted that exposing people in a banking context to the pronoun 'we', as opposed to the phrase 'you and the brand', will lead to more favorable attitudes among brand customers but to less favorable attitudes among non-customers. Conversely, we predicted that exposure to the pronoun 'we' in a health-insurance context will lead to less favorable attitudes among customers and to more favorable attitudes among non-customers.

IN STUDY 1, 164 participants read a message advertising *Wells Fargo*, a prominent west-coast banking brand. Some participants read a message with the phrase 'you and Wells Fargo', whereas others read a message in which 'you and Wells Fargo' was replaced with 'we'. In the control condition, the consumer and the brand were not referred to jointly. Next, participants were asked to rate their agreement with four attitude items. Finally, they were asked whether they were banking with Wells Fargo, thus yielding a 2(customer-status: customer vs. non-customer) x 3(pronoun: 'we' vs. 'you and the brand' vs. control) design.

The results revealed a significant 3(pronoun) x 2(customer-status) interaction, p<.013. Customers rated their brand-attitudes more positively in the 'we' condition than in the 'you and Wells Fargo' condition and the control. Conversely, non-customers rated their attitudes less positively in the 'we' condition than in the 'you and Wells Fargo' condition and the control.

IN STUDY 2 we tested whether the effect found was mediated by either honesty perceptions or processing-fluency. The same design was used as in study 1 but with two banking brands (*Wells Fargo* and *Stanford Federal Credit Union*). In addition to attitude measures, we included mediating variables pertaining to brand-honesty and processing-fluency.

After reading ad excerpts as in study 1, 80 participants were asked to rate their agreement with seven attitude statements, two brand-honesty statements, and two fluency statements. Finally, they were asked whether they were banking with the brand, yielding a 2(customer-status) x 2(pronoun) x 2(brand) design.

The analysis revealed a significant 2(pronoun) x 2(customer-status) interaction, p<.021, with no effect of brand name, indicating that the effect found was not brand-specific. Again, customers rated their brand-attitudes more positively and non-customers rated their brand-attitudes less positively in the 'we' condition than in the 'you and the brand' condition. A mediated-moderation analysis (Muller et al 2005) indicated that this effect was mediated by perceptions of brand-honesty but not by processing-fluency.

IN STUDY 3 we tested the hypothesis that the effect of pronoun use will reverse when the brand domain is associated with a hierarchical consumer-brand relationship. 312 participants were assigned to a 2(domain: banking vs. healthcare) x 2(pronoun) x

2(customer-status) design. They read a message featuring either *Wells Fargo* (banking) or *Aetna* (healthcare), phrased using either the pronoun 'we' or the phrase 'you and the brand'. After reading the message, participants were asked to respond to attitude and honesty measures as in study 2 and to indicate whether they were customers of the brand featured in the message.

Consistent with our hypothesis, a significant pronoun x customer x domain interaction emerged, p<.002. Bank customers rated their attitudes more favorably in the 'we' condition than in the 'you and the brand' condition, but non-customers did not. Conversely, healthcare customers rated their attitudes less favorably in the 'we' condition than in the 'you and the brand' condition, but non-customers rated their attitudes more favorably in the 'we' condition than in the 'you and the brand' condition. Finally, a mediated-moderation analysis indicated that these effects were mediated by brand-honesty perceptions, in both brand domains.

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# Investigating the Motivational Processes Underlying Bicultural Consumer Response to Cultural Product Cues

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This research examines the motivational processes underlying bicultural consumer response to cultural product cues, such as ethnic brands or products symbolic of cultural meaning. Given the high percentage of immigrants in the United States population, understanding how biculturals respond to marketing stimuli that carry cultural meaning is an important subject.

As immigrants undergo the acculturation process they internalize the dominant culture, which is a learned knowledge system consisting of values, ideas, symbols, and customs, while maintaining the cultural knowledge system of their culture of origin. Both cultural knowledge systems co-exist in biculturals' minds (Benet-Martinez and Haritatos 2005; Haritatos and Benet-Martinez 2002). According to the dynamic constructivist approach, the issue then becomes: which cultural frame of reference guides the individual's judgment and decision making and, under which conditions will one culture dominate versus the other (Hong et al. 2000).

Hong and colleagues (2003; 2000) examine a process called cultural frame switching (CFS), which is a cognitive process by which a bicultural's mindset or "frame" with respect to the dominant culture or culture of origin is activated by situational cues and applied in processing the given situation. An important concept overlooked in CFS research is cultural identity, which refers to "a sense of self in relation to a culture of origin and who one is within and without that cultural context" (LaFramboise et al. 1993, p. 402). Although biculturals appropriately use their dominant culture to process many situations, it may be appropriate in certain situations to access their original culture mindset to maintain a healthy cultural identity and self-concept. Balancing one's identity with respect to culture of origin and the dominant culture is important because not only is the knowledge system still embedded in the individual's mind, but he/she may still maintain contact, loyalty, and/or involvement with the culture of origin as evidenced throughout existing theories of second-culture acquisition (Berry 1986; Gleason 1979; Gordon 1964; Ogbu and Matute-Bianchi 1986). As part of a bicultural's ongoing acculturation process, maintaining a healthy cultural identity will be important to ensure psychological well-being. As such, we classify it as a chronic goal that biculturals pursue as part of their bicultural experience (Bargh and Barndollar 1996).

Our framework addresses the role of cultural identity in bicultural consumer's response to cultural product cues. As a chronic goal, maintaining one's cultural identity is highly accessible for priming by situational cues (Chartrand and Bargh 2002). In particular, the means to pursue this goal can activate the goal and the motivation to pursue it (Kruglanski et al. 2002; Shah and Kruglanski 2003). Because purchase and usage of culturally-laden products (i.e., products representing the individual's original culture or the dominant culture identity) can serve the goal of identification with that culture, we posit that cultural products can serve as cues that trigger this cultural identification motive. This goal priming increases the individual's propensity to pursue products that advances the goal of identification with the culture of origin or the dominant culture.

We predict that cultural identification motive activation mediates the product cue culture-purchase behavior relationship. We also hypothesize that situational product cue characteristics will affect its likelihood of priming a cultural identification motive. Particularly, scarcity research suggests that an object's perceived scarcity increases the salience of its attributes (Folger 1992). Thus, we predict that perceived product scarcity increases the salience of product's associated culture and thus, scarcity moderates the product cultural-cultural identification motive activation relationship. Our paper contributes to bicultural research by moving beyond the realm of cognitive processes impacting judgment into the realm of motivational processes impacting behavior.

To ensure that differential effects exist between biculturals and monoculturals, we conducted a preliminary study focusing on the moderation of perceived scarcity on the product culture-purchase intention relationship. Because scarcity increases the salience of the culture symbolized by the product and its likelihood of activating a cultural identification motive, biculturals' purchase intentions should

be greater toward the scarce product cue versus the non-scarce product cue, but given biculturals' chronic cultural identity goal their intentions toward the scarce non-dominant culture (Hispanic) product should be greater than for the scarce dominant culture (American) product.

The stimuli were fictitious movie promotions: the movie title and plot theme was Hispanic ("*Los Hermanos Garcia*") or American ("*The Murphy Brothers*"). The movie premier was a select city limited engagement (scarce) or a nationwide (non-scarce). Purchase intention was operationalized as likelihood of seeing the movie and biculturalism was assessed with a single-item self-report measure. Manipulation checks were successful.

A 2 (Product: Hispanic v. American) x 2 (Scarcity: high v. low) x 2 (Participant: bicultural v. monocultural) between subjects factorial ANCOVA was conducted on purchase intentions. To eliminate potential extraneous influences psychological reactance and movie quality are covariates.

The product culture x scarcity x biculturalism interaction was only marginally significant ($F(2, 74)=2.78$, $p=.10$), perhaps due to the heterogeneity of the biculturals in our sample (e.g., African American, Portuguese, Hispanic, etc.). Biculturals are more likely to see the scarce Hispanic movie ($M=3.31$) than the scarce American movie ($M=2.04$) and more likely to see the non-scarce American movie ($M=2.46$) than the non-scarce Hispanic movie ($M=1.99$). Biculturals were more likely to see the scarce ($M=3.31$) than the non-scarce Hispanic movie ($M=1.99$). Monoculturals were more likely to see the scarce American movie ($M=2.48$) than the scarce Hispanic movie ($M=1.96$) and slightly more likely to see the scarce ($M=2.48$) versus non-scarce ($M=2.67$) American movie.

These results support our cultural identification motive activation account. Both biculturals and monoculturals reported greater purchase intentions toward scarce movies matching their cultural background than toward non-scarce movies matching their cultural background, supporting the idea that scarcity increases the salience of product culture and its likelihood of triggering a cultural identification motive resulting in greater purchase intention. More importantly, consistent with the culture identity activation hypothesis, biculturals had greater purchase intentions toward the non-dominant cultural product (i.e., Hispanic movie) than the dominant culture product (i.e., American movie) and monoculturals had greater purchase intentions only toward the dominant culture product than the non-dominant culture product, suggesting that differential effects for the cultural identification motive activation by the cultural product cues exist between bicultural and monocultural consumers.

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# Country-of-Origin Effects on Consumers' Attributions and Word-of-Mouth Communications about Services

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What do you think of when you hear about a person's bad experience with a Japanese bank, a French airline or a Turkish hotel chain, as opposed to an American counterpart? Research on country-of-origin (COO) effects suggests that consumers' inferences about the experience should differ depending on beliefs about the country (e.g., Leclerc, Schmitt, and Dubé 1994; Maheswaran 1994). Knowledge of a product's COO promotes category-based processing, which influences cognitive inferences about quality and performance (Hong and Wyer 1989, 1990). Whereas past research focuses on products, there is little research on service-related COO effects. Yet, consumers'

**FIGURE 1**

Attribution to Employee as a Function of COO Favorability and Service Quality, Experiment 1
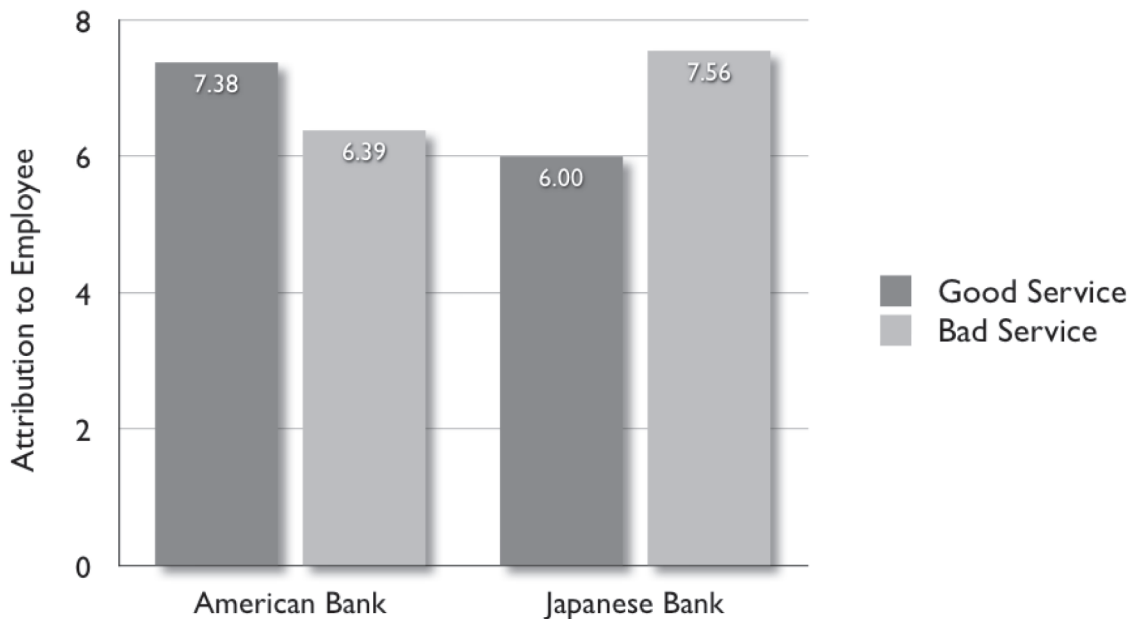


inferences about services may differ in some important ways from inferences about products, depending particularly on stereotypes about individuals. Our research examines COO effects on consumers' attributions for service quality. Further, we relate those inferences to consumers' descriptions of a service encounter to shed light on COO effects on consumers' word-of-mouth communications.

We propose that the congruency between service quality (good vs. bad) and COO stereotypes (favorable vs. unfavorable) influences the types of causal attributions consumers make about a service encounter as well as how they describe those encounters to others. Stereotype-congruent scenarios lead to dispositional as opposed to situational attributions, which, in turn, reinforce existing COO beliefs. Drawing on the linguistic bias literature (e.g., Maass, Montalcini, and Biciotti 1998; Wigboldus, Semin, and Spears 2000), we further propose that such congruency leads to greater use of abstract language as opposed to concrete language when describing that encounter to others. .

The linguistic bias model has shown a tendency to describe expectancy-consistent information at a higher level of abstraction than inconsistent information. The definition and operationalization of language abstraction are based on the linguistic category model (Semin and Fiedler 1988), which categorizes words into different levels of abstractness. At the most concrete, verbal descriptions maintain an immediate reference to concrete behavioral events. At the most abstract, descriptions maintain an abstract reference to a person's psychological properties (i.e., their traits and dispositions). For example, a service episode can be described in concrete terms ("it takes the server 5 minutes to get the bill") as well as in abstract terms ("the server is slow and forgetful!"). Testimonials that differ in abstraction level may prompt recipients of that information to differ in their conclusions about and use of the information. We hypothesize that COO stereotype-congruent scenario will be encoded abstractly whereas incongruent scenario will be described concretely. We conducted two experiments to examine COO effects on evaluations, attributions and linguistic biases.

In study 1, 80 undergraduate students were randomly assigned to conditions in a 2 (COO: USA vs. Japan) x 2 (quality: positive vs. negative) between-subjects design. Participants were given brief background information about a fictitious bank, which was based in either USA or Japan. Separate pretests confirmed that USA was a favorable whereas Japan was a less favorably COO for banking services. Participants then listened to a recording of a telephone conversation between a customer and a bank representative. The service encounter rolls were enacted by two Caucasian voice-talents who remained constant throughout all conditions. Service quality was manipulated via the manner in which the employee handled the caller's complaint. In the good service condition, the way the employee handled the problem was polite and empathetic, whereas in the poor service condition, she was rude and unconcerned. After listening to the recording, participants received a questionnaire asking for evaluations of service quality and causal attributions for the outcome (e.g., causality attributable to the bank versus to the employee).

Causal attributions ratings were submitted to a 2 (COO) x 2 (quality) ANOVA. The expected 2-way interaction ($F(1, 76)=9.83$, $p=.002$) emerged such that the positive service was more likely to be attributed to the employee's traits in the American bank compared to the Japanese bank ($M_{USA}=7.38$ vs. $M_{Japan}=6.00$; $t(76)=2.26$, $p=.03$). Conversely, the negative service was *less* likely to be attributed to the employee in the American bank compared to the Japanese bank ($M_{USA}=6.39$ vs. $M_{Japan}=7.56$; $t(76) =-2.19$, $p=.03$). The results suggest that when the service was congruent with the COO stereotypes, consumers are inclined to make dispositional inferences and attribute the cause to the intrinsic traits of the agent (Reeder et al. 2004). An activated COO stereotype on the firm level should have triggered a corresponding stereotype about individuals.

We conducted another study ($N=68$) to further explore the COO effects on consumers' communication. The procedure and manipulations were the same as in study 1. In addition, participants provided a verbal description of the service encounter immediately

**FIGURE 2**
Language Abstraction Level as a Function of COO Favorability and Types of Description, Experiment 2
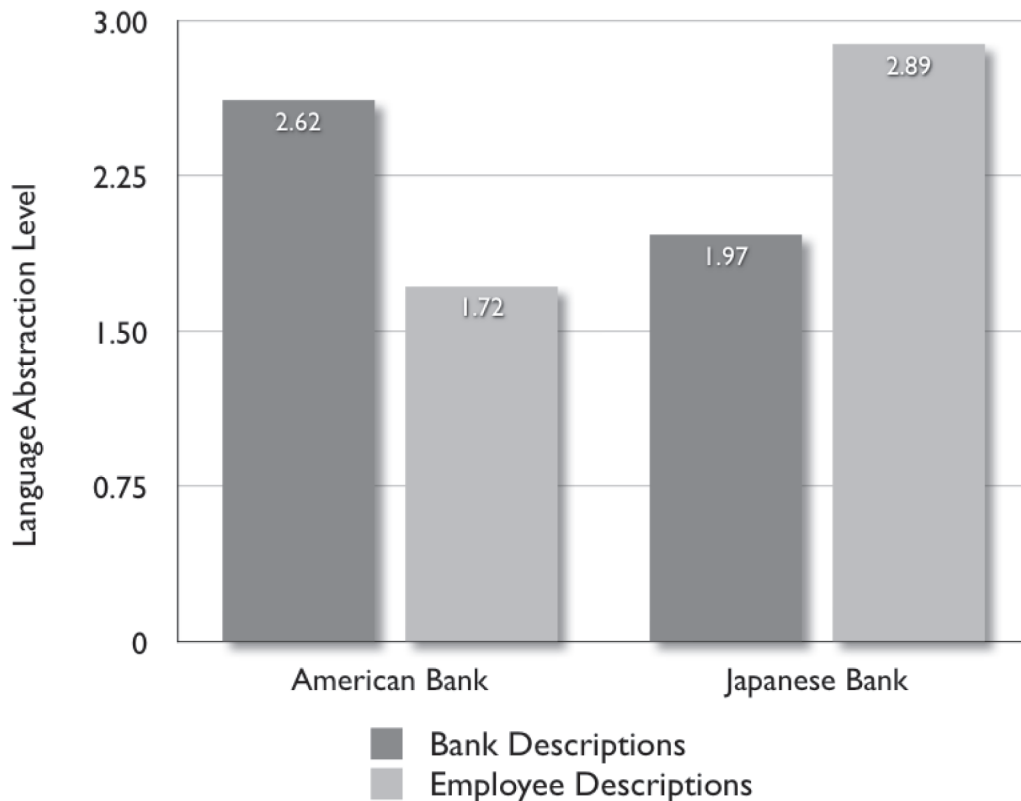


after they listened to the recording. Their open-ended responses were classified as to whether they were bank or employee-specific and then coded on the basis of the linguistic category model (Semin and Fielder 1988). The mean levels of abstraction were computed for the bank and employee-specific descriptions respectively, ranging from 1 (the most concrete) to 4 (the most abstract). A 2 (COO) x 2 (types of description) ANOVA revealed a significant interaction ($F(1, 64)=8.15$, $p<.006$). Whereas the average abstraction level of the bank-specific descriptions was not statistically different between the American and Japanese bank ($M_{USA}=2.62$ vs. $M_{Japan}=1.97$; $p=.12$), employee-specific descriptions exhibited a significant difference in abstraction level ($M_{USA}=1.72$ vs. $M_{Japan}=2.89$; $t(64) =-3.22$, $p=.002$). The descriptions associated with the Japanese bank's employee were high in abstraction, implying a stable, dispositional attribution to the employee. The positive correlation between the abstraction levels of employee-specific description and employee attribution ($r=.24$, $p=.05$) provides converging evidence to support the effects of attributions on linguistic biases.

In conclusion, consumers evaluate service quality through the tinted glass of COO stereotypes. When the outcome is congruent with existing beliefs, they tend to make a stronger dispositional attribution and describe the encounter more abstractly than when the outcome is incongruent. Future research should explore how the match/mismatch between the ethnicity of employee and COO moderates the effects. An important implication of this research is that the biased use of language by communicators may prompt recipients to make stronger dispositional attributions. Additional research should investigate the role of biased use of language in stereotype maintenance and dissemination in consumer's networks.

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# Role of Incongruity and 'Aha' Effect in Positive Affect Experienced from Visual Metaphors

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A recent ad for Microsoft Office showed a female standing in an office setting with the head of a dinosaur. The ad copy read as "Microsoft Office has evolved have you?" This is an example of a visual metaphor, a type of rhetorical figure that is used extensively in advertising and communication(Phillips 2003). A *visual metaphor* makes an analogical comparison between two terms, by stating that one term is figuratively like the other term, even though the two are literally different (Stern 1990). The visual of a dinosaur's head on a female's body is incongruous, it does not make sense at a literal level. This incongruity in the visual attracts attention and one is drawn towards reconciling the incongruity. Only at a figurative level, can one interpret that the ad is suggesting that the female is "outdated, anachronous" and needs to upgrade to newer versions of Microsoft Office. The incongruity in the visual makes the ad stimulating (McQuarrie and Mick 1996; McQuarrie and Mick 1999; Peracchio and Meyers-Levy 1994), elicits some level of exploratory behavior(Berlyne 1960) and subsequent resolution of incongruity with meaningful perceived comprehension yields what is termed in semiotics literature as 'pleasure of the text' (Barthes 1986). 'Pleasure of the text' is conceptualized as the positive affect that the viewer experiences due to the viewer's subsequent perceived comprehension of an initially incomprehensible text.

We embark on a journey to address two unanswered questions in advertising and marketing literature: (i) What is the nature of relationship between incongruity in visual metaphors and affect? (ii) What is the mechanism by which incongruity in visual metaphors leads to positive affect? First, the relationship between incongruity in visual metaphors and positive affect has not been examined empirically in the marketing literature. Research has demonstrated the "figures effect" i.e. rhetorical figures versus literal expressions have a significant positive effect on attitude-toward-the-ad (McQuarrie and Mick 1999; Mothersbaugh et al. 2002). But we are still uninformed about the effect of different levels of incongruity in rhetorical figures (visual metaphors in our study) on ad evaluations. Second, the process by which incongruity in visual metaphors leads to positive affect though has attracted theoretical discussions; it still has not been empirically examined.

We propose a *process model* to empirically examine the effect of different levels of incongruity of visual metaphors on affect. We define, *incongruity in a visual metaphor* as the degree to which there is the lack of structural and semantic correspondence between the source and target elements in the visual metaphor in the presented context and the pre-existing knowledge structures associated with source and target elements in the given context. There are two routes that account for the effect of incongruity of visual metaphors on affective evaluations. One is the *perceptual route* and other is the *comprehension route*. *Perceptual route* is the direct effect of the incongruous stimuli on affect. On the other hand, *comprehension route* is the effect of incongruity of visual metaphor on affect mediated by comprehension. The *perceptual route* can be understood in terms of *arousal boost* concept and *comprehension route* can be understood in terms of *arousal jag* concept introduced by Berlyn (1971; 1960) in context of collative variables. The two routes can be reconciled to understand the overall effect of incongruity in an ad on advertising evaluations. We propose a non-linear relationship between incongruity in a visual metaphor and affect. This argument is informed by theoretical paradigms proposed by Berlyn (1971; 1960) and the schema incongruity theory (Fiske and Taylor 1991; Mandler 1982). The perceived comprehension and perceived certainty of comprehension play a crucial role in the intensity of affect experienced from the metaphor.

*H1*: Incongruity in visual metaphors will have a non-linear relationship with affect. Moderate level of incongruity versus low level of incongruity in a visual metaphor should lead to a greater level of positive affect. Also, moderate level of incongruity versus high level of incongruity in a visual metaphor should lead to a greater level of positive affect

A mediatory process of interest in this process model is the 'aha experience'. The 'aha experience' is a transition from a state of incomprehension to that of comprehension of the stimulus. The 'aha experience' therefore is an outcome of the combination of *arousal boost* caused by perceptual route and *arousal jag* caused by the comprehension route. 'Aha' is experienced in case of visual metaphors because the incongruity is meaningful or metaphorical comprehension resolves the incongruity. We propose that incongruity in a visual metaphor will have a non-monotonic relationship with the 'aha experience'. That is moderate level of incongruity should lead to maximum intensity of 'aha'. It is the 'aha experience' that leads to the 'pleasure of the text'. *Pleasure of the text* is the positive affect that a viewer experiences due to the viewer's perceived successful comprehension of an initially incomprehensible text. 'Pleasure of the text' is like the thrill one experiences from cracking a puzzle (Peracchio and Meyers-Levy 1994). The stronger the 'aha experience', the greater should be the 'pleasure of the text'.

*H2*: Incongruity in a visual metaphor will have a non-linear relationship with the 'aha experience'

*H3*: The 'aha experience' will mediate the relationship between incongruity of visual metaphor and pleasure experienced from a visual metaphor

*H4*: The 'aha experience' will have a linear relationship with pleasure experienced from a visual metaphor

We hope to make the following contributions to research, both in the area of rhetorical figures and interplay of emotions and cognitions. We propose to empirically examine the relationship of incongruity in visual metaphors and affect. Our study will throw light on the process by which incongruity in a visual metaphor leads to positive affect. In attempting to study the 'aha experience', we intend to introduce a relevant mediator to advertising studies. Also, we hope to make a contribution by presenting a method of operationalizing incongruity in visual metaphors. All of the above are gaps in the current marketing literature. Given the preponderance of visual metaphors in advertising, our research would make a managerially as well as academically relevant contribution.

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# The "Kick Him While He's Down" Effect: Consumers' Responses to Unfortunate Leaders when Judging Corporate Crime

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In an era in which corporate crime is an increasingly common occurrence, the issue of how a company that has committed a crime should approach its media relations and PR is both relevant and important to practice. Companies that are found guilty of corporate crimes risk erosion of brand equity, consumer boycotts and other forms of consumer punishment. However, consumers' judgments about and subsequent actions towards a criminal company are often influenced by information beyond the simple facts of the case. In two studies, we investigate how people's perceptions of a company's leader influences their feelings and judgments (e.g. anger at, forgiveness for) and purchase decisions.

One of the moral tenants guiding legal judgments of guilt is that "all individuals are to be judged by the purposeful actions they commit and *not* by the random events that befall them". (legal requirement of "mens rea"). In practical terms, a man should not be judged negatively for being unlucky (e.g. getting cancer).

However, there are many examples in which a person's unfortunate circumstances partially "excuse" him of wrongdoing in the eyes of others. Companies leverage this idea and often act in accordance with their lay theory that highlighting the misfortune of their leader may create consumer empathy and lessen consumers' punitive actions in response to the company's crime. A recent example of this occurred when the felony charges of spying on employees were dropped against the CEO of Hewlett-Packard, after news of her advanced ovarian cancer was released to the public. MSNBC reported that "authorities said [her] battle with cancer was at least partly responsible for their decision to drop the case against her."

Though it is intuitive, that featuring the misfortunes or bad luck of a leader will garner consumer sympathy, the inference-making literature predicts the opposite. Research on the Imminent Justice Hypothesis (Piaget 1965, Fein & Stein 1977) and the Just World hypothesis indicates that people harbor the (irrational) belief that "a fault will automatically bring about its own punishment" (Piaget 1965). In other words, if an individual commits a criminal act, he will inevitably receive just retribution. Using this rationale, people may be *less* sympathetic to criminal CEOs who have suffered misfortune and rather than empathizing, conclude that they have "gotten what they deserve." Moreover, recent research on children's' judgments of unlucky vs. lucky people (Olson et al. manuscript) indicates that children have a natural preference for lucky over unlucky people and often discriminate against people deemed less lucky.

In two studies, we examine whether highlighting the misfortunes of a CEO creates empathy and forgiveness for a company embroiled in a corporate crime, *or* if highlighting the "unluckiness" of the CEO simply causes people to like the CEO and take punitive actions, or conversely, take pity and purchase more. In a 2 (CEO Luck: Unlucky vs. Control) x 2 (Crime Severity: High vs. Low Crime) design, we test how the luck of the CEO influences people's judgments of the crime, the company and the CEO.

In study 1 we presented participants with a hypothetical crime scenario in which a company underpays its workforce (minor crime scenario) or underpays, harasses and abuses it workforce (severe crime scenario). We crossed the severity of the crime with the luck of the CEO. In both conditions we described the CEO's background (e.g. age, number of children, past positions); in the Unlucky condition we added that the CEO's wife had recently been killed in a hit and run accident. The results supports corporate intuition that people are

more willing to forgive a company for corporate crimes if the company is headed by an Unlucky vs. Control CEO when the crime is small but less forgiving for large crimes.

In Study 2, we further investigate how consumers differentially respond to Unlucky CEO vs. Control CEO in low vs. high crime scenarios. We presented participants with a hypothetical the high vs. low crime scenarios described above in the form of a newspaper. The articles describe the crime of a hypothetical cell phone company (MobiFon). In the Unlucky condition the article also explains that the CEO has recently been diagnosed with cancer.

After reading about the article, participants filled out a conjoint study indicating their preference ratings of cell phones from MobiFon (vs. another hypothetical cell phone company called Connex). We varied the phones on the attributes of brand, price and styling. We then collected participants' attitudes about the crimes, CEO and the company. We find that in low crime conditions, participants indicate they are not very angry at the CEO, are more willing to forgive the MobiFon brand and are more likely to purchase a product from MobiFon if the CEO has cancer than if he has no health problems. These results confirm corporate intuition of consumer empathy and forgiveness. However contrary to this corporate lay theory, in high crime conditions (where participants indicate feeling more angry and less forgiving), they display a "kick him while he's down effect". Specifically, they indicate that they are much *less* willing to purchase a product from MobiFon if the CEO is diagnosed with cancer than if he has no health problems.

Our results expose several contextual and individual factors that contribute to consumers' responses to Unlucky leaders. The results corroborate the notion that people are influenced by CEO's personal attributes and misfortunes when making judgments about a company after a corporate crime has been committed. Moreover, it appears that while people are motivated to make decisions based on the direct actions of a CEO in the corporate crime, they ultimately allow non-diagnostic factors to influence their decision. Finally, the results confirm that companies' lay theory that revealing the misfortunes of their leaders is a good tactic in mitigating consumer anger at the company after a crime has been committed in small crimes but when the crime is more egregious, this may ultimately undermine the company's attempt to reinvigorate business.

# Examining the Effects of Narrators' Accents When Informational Programming Has Verbal and Visual Cues

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Imagine that an overseas documentary has a narrator who speaks like a North American national news anchor. For added authenticity, the show's producers added a second reporter whose native language influences heavily his or her English-speaking accent. This research examines how accents influence viewers' evaluations of informational programming.

Research findings suggest that the responses to accents depend in part on the listeners' contexts (Fuertes, Potere, and Ramirez 2002). Although accents can draw favorable attention in entertainment programming, they have had less positive effects on informational materials. The distinction may be due to a greater need for comprehension in learning, than in leisurely, environments. Gill (1994) asked American students to listen to tape recordings of male teachers who spoke with one of three accents. Instructor perceptions were more favorable when he had a North American—rather than a British or a Malaysian—accent. Participants' level of understanding and degree of recall also were highest with the North American speech.

Building upon past research, this study more directly analyzed the link in Gill's (1994) work between the evaluation of the speaker and the degree to which participants felt they could understand him. Somewhat surprisingly, the connection between evaluations and perceived comprehension has not been a primary focus in studies showing deleterious accent effects. Also, unlike the studies noted above, this work provides information in visual, as well as in auditory, form.

An actor skilled in accents provided the narration for a documentary-style program about a Latino celebration called a "Quinceañera." Pretests revealed that he could convincingly speak with both a North American accent and with speech that reflected native fluency in Spanish. Thirty-seven undergraduates were randomly assigned to view the video with the North American ($n=16$) or with the Spanish-language influenced speech. The unseen actor's voice described parts of the ceremony simultaneously shown on tape.

An initial set of analyses examined if findings of accent derogation (e.g., Gill 1994) were replicated. When not accounting for the audience members' perceived ability to understand the narrator, the participants preferred the video with the North American accent rather than the Spanish-influenced accent upon noting (a) the video's informational value ($t(35)=2.39$, $p<.03$), (b) the narrator's knowledge of the video topic ($t(35)=2.15$, $p<.04$), (c) the ease of understanding the narrator's voice ($t(35)=6.60$, $p<.001$), and (d) the total number of open-ended recalled items ($t(35)=3.83$, $p<.002$).

Then, a second round of analyses was conducted to determine if the significant effects were due to participants' perceived comprehension of the narrator. When examining the data using "ease of understanding" his voice as a covariate, the differences between the accent conditions are not significant ($p$s>.10) for all variables but the mean total recalled items ($F(1, 36)=7.11$, $p<.02$).

Hence, in informational programs with both visual and aural stimuli, a preference for non-accented voices could be due largely to the perceived ability to understand the presented style of speech. Of course, comprehending a non-native speaker depends largely upon the strength of—and upon listeners' familiarity with—his or her accent. Depending upon those factors, according to this research, there may be drawbacks to the practice of adding narrators with foreign accents to increase cultural programs' authenticity. Rather than enhancing credibility, the narrator's foreign accent reduced his perceived knowledge of the program topic.

It is important to note that the five-minute video used in this research did not give audience members much time to adapt to the speaker. Longer exposure to the accents might facilitate comprehension. Advertising legend David Ogilvy used this strategy, noting, "I am particularly nervous about the impact of my English accent… I therefore open with axioms which nobody can question. By the time the audience grows accustomed to my accent, I launch into more controversial judgments" (Ogilvy 1964).

Researchers can investigate factors affecting the "ease of understanding" variable influential in this study. Aside from the ability to comprehend heavily accented words, there are a number of framing issues that influence listeners. Work on "fluency" suggests that messages that are subjectively difficult to decipher produce compromised choices (Novemsky, Dhar, Schwarz, and Simonson 2007). Even if an individual's speech is understandable, the presence of an accent may prime listeners to anticipate comprehension difficulty, which subsequently could lower their evaluations (Rubin and Smith 1990). In addition, prior associations with accents might affect fluency, as might the ability to watch the narrators' expressions and body language.

The program topic may shape viewers' responses. If individuals presenting material related to their home countries appear biased (Ryu, Park and Feick 2006), it might decrease listeners' attention. Also, while cultural content may make a narrator appear more ethnic, it is possible that programming prompting expectations for a mainstream voice reduce or eliminate perceptions of foreign accents (Rubin and Smith 1990). Research can further investigate how message content frames audience members' evaluations.

Media technology continues to expose audiences to speakers around the world. It is hoped that this research sheds insights into the perceptions of accents when segments and shows have informational content.

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# The Lifestyle Consumer Confidence Index: Detecting the Undercurrents and Dynamics of Consumer Confidence

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Businesses, private investors, and public policy makers have long noticed that anticipating future consumer spending and saving behavior is key in today's marketplace (Georgoff and Murdick 1986; Kotler 1994; Lawson, Todd, and Boshoff 2001; Lilien and Kotler 1983). For example, anticipating consumers' future expenditures can help managers assess the general mood of the market and plan their marketing activities accordingly. Furthermore, private investors can benefit from such information to assess the right moment to make great investments. More importantly, such information can give public policy makers early warnings about whether the economy is moving towards recovery and growth or recession.

While early predictions of consumer consumption behavior solely focused on objective, economic variables—such as income, interest rate, and inflation rate—Katona (1951, 1960) suggested that consumer expenditures do not only depend on consumers' ability to buy but also on their willingness to buy, and thus on more subjective, psychological factors. This notion has become known as the theory of psychological or behavioral economics (Curtin 1982; Katona 1974). It has stimulated the development of many indexes, which have in common the goal to measure consumer confidence, or sentiment, as an indication of the future course of the national economy (Curtin 1982; Linden 1982; Roper 1982).

Prior research has focused on comparing the predictive value of different consumer confidence indexes (Batchelor and Dua 1998; Eppright, Arguea, Huth 1998; Huth, Eppright, and Taube 1994) and on explaining variance in such measurements (Garner 1981; Vuchelen 2004). A similar research stream has developed in marketing (Barksdale and Darden 1972; Barksdale, Darden, and Perreault 1976; Barksdale and Perreault 1980; Gaski and Etzel 1986) and assessed consumer confidence towards marketing in the international marketplace (Chan, Yau, and Chan 1990; Wee and Chan 1989).

While these prior research streams have led to interesting and helpful findings, several limitations (such as measurement items, methodology, and applicability) of existing consumer confidence/sentiment indexes are yet to be addressed (Didow, Perreault, and Williamson 1983; Weiss 2003). In particular, it has been argued that psychographic or lifestyle variables are needed to help explain the undercurrents, that is, the variation in consumer confidence across the population (Lawson, Todd, and Boshoff 2001) and that the dynamics of consumer confidence—and thus the movement in optimistic and pessimistic directions over time—need to be understood further (De Boef and Kellstedt 2004; Garner 1981).

The purpose of this article is to develop an index that facilitates our understanding of the consumer confidence construct and that helps capture its undercurrents and dynamics. Specifically, we aim at (1) developing a *lifestyle consumer confidence index (LSCCI)*, (2) applying this new index to demonstrate the importance for public policy makers to conduct cross-sectional analyses to understand the *undercurrents*,

that is, the current composition of consumer confidence, and (3) revealing the significance for public policy makers to conduct longitudinal analyses to detect the *dynamics* of consumer confidence over time.

To develop our index that projects consumers' perceived confidence, a secondary data analysis was undertaken. Factor analysis revealed that the total LSCCI can be divided into two sub-indexes: one sub-index that measures consumers' present confidence (our Present Lifestyle Consumer Confidence Index; PLSCCI) and another sub-index that measures consumers' future confidence (our Future Lifestyle Consumer Confidence Index; FLSCCI).

For our analyses, we calculated consumers' confidence from 1997 until 2001, based on the data available from the DDB Needham Life Style Study. By doing so, we obtained several interesting and important preliminary results in respect to our cross-sectional, micro-level as well as our longitudinal analyses. These findings have important implications especially for public policy makers. Overall, we demonstrate that the regular screening of cross-sectional consumer confidence helps identify the undercurrents, that is, the momentum that takes place below the aggregated surface of the overall consumer confidence. As such, the segmenting variables as well as the problematic groups within a particular variable that constitute potential threats to the local economy can be identified. Further, to perform a regular screening over time helps chart the dynamics of those undercurrents. As such, consumer segments showing negative or highly fluctuating trends over time can be identified and addressed to avoid potential recessions, and instead strengthened to prompt economic recovery or stability. Hence, our proposed LSCCI helps discover challenging segments that (1) are low in consumer confidence in a particular year, (2) show a continuously decreasing level of consumer confidence, and (3) are very unstable over time. By discovering such challenging segments, public policy makers will be able to form preventive policy and are, to a certain extent, able to direct the local economy into the desired direction.

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# Parenting, Peer Influence, and Role Model on Compulsive Buying Tendencies of Early Adolescent Consumers

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Researchers have proposed to take different approaches to investigate the phenomenon of compulsive consumption (d'Astous, Maltais, & Roberge, 1990; DeSarbo & Edwards, 1996; Hassay & Smith, 1996; Roberts & Pirog Iii, 2004). d'Astous, Maltais and Roberge (1990) argued that a generalized urge to buy characterized all consumers at different levels and probably at different times, and therefore compulsive buying tendency may be a continuum with one end specifying normal buyers and the other specifying compulsive buyers. Compulsive buyers are at the extreme of the urge to buy continuum all the time. However, the research to date focused only on the most extreme form of compulsive buying and neglected to recognize individuals who have not yet reached full-blown addiction (DeSarbo & Edwards, 1996).

DeSarbo and Edwards (1996) argued that compulsive buying is related to different forms of drives and degrees of urge to buy and therefore compulsive buyers are heterogeneous groups. However, previous research adopted a uniform dichotomous compulsive treatment of buying behavior and thus leaves open the key issue of whether individuals classified as compulsive buyers have different internal or external drives. In fact, recent research suggested that consumer researchers should pay attention to the purposive element of compulsive behavior and to consider that compulsive buying may be viewed as a logical outcome for people who have personal goals rather than just being caused by psychological tension (e.g., Roberts & Pirog Iii, 2004).

Compulsive buying is not only linked to individual psychological traits such as dependence, denial, and depression but also linked to circumstantial factors such as avoidance coping, and family influences such as divorce (Roberts, Manolis, & Tanner, 2006). However, there is insufficient research related to exploring circumstantial and family related factors on compulsive buying behavior.

This research focused on compulsive buying tendencies of early adolescent consumers. Although common depictions of adolescence as a time of "storm and stress" appear to be exaggerations, adolescence is a period of great transition both for individuals and their families (Arnett, 1999; Hamburg, 1985, 1974). The transition from childhood to adolescence brings with it a new set of issues and concerns for childrens as children try to establish an identity separate from parents during this transitional development stage (Gecas & Seff, 1990) and for parents (Pasley & Gecas, 1984; Small, Eastman, & Cornelius, 1988) as parents approach mid-life, and the parent-child relationship becomes more egalitarian (Baumrind, 1991; Steinberg & Steinberg; 1994). This group of consumers provides rich potentials for us to

understand more on compulsive buying. For instance, this group of consumers enables us to investigate compulsive buying at the early/ light stage and to identify different types of motivations for compulsive buying other than psychological tension.

For early adolescents the personal goal to establish an identity separate from parents or others may be a more salient drive to develop compulsive buying tendencies than reducing psychological tensions. Previous research found that peers' influence on teenagers' identity establishment is reflected through impacted teenagers' consumption (Mangleburg, Doney, & Bristol, 2004). For instance, peer groups are voluntary in nature and are not directly responsible for monitoring teens' actions, but peers may provide an early forum in which teens can try out various aspects of the social self. In terms of buying and consumption, studies have shown that communication with peers positively affects teens' social motivation for consumption, materialistic values, and tendency to use peer preferences in making a product choice. Therefore, we propose that peer influence has significant impact on compulsive buying tendencies.

Another factor having significant impact on identity establishment may be role modeling. A role model for an adolescent can be anyone with whom the individual comes into contact, either directly or indirectly, who potentially can influence the adolescent's decision or behaviors (Bandura, 1986). Parents are the "assigned" role modes for adolescent. However, most adolescents choose their own "vicarious" role models which can be television and movie stars, athletes, or even best friends, as opposed to the role models of parents. Role models may influence adolescents on adopting their own set of self-image, lifestyle, and consumption pattern, and therefore have influence on adolescents' compulsive buying tendencies. Furthermore, parenting factors (e.g., parental solicitation, spending supervision) in this transitional stage may have significant influence on compulsive buying tendencies of early adolescent consumers. Specifically, parental solicitation may reduce adolescents' psychological tension. However, parents' over solicitation may create some psychological tension for adolescents and hence increase their compulsive buying tendencies. Supervision of spending helps adolescents to control spending, however, it may increase adolescents' desire to be independent from parents and therefore, increase the degree of urge to buy.

The primary objectives of this exploratory study were to (1) estimate the incidence of compulsive buying in an early adolescent population, (2) investigate the impact of parenting factors (parental solicitation, spending supervision), role model, and peer influence on compulsive buying of pre-teens.

Data from the Baton Rouge Families and Teens Project (BRFTP) were used to test the hypothesized research model. The BRFTP sample includes 133 parent-child dyads that were recruited at the end of grade 6. The sample is 45% female and 64% of the adolescents live in a two-parent home. 42% of the adolescent are White, non-Hispanic, 48% are African-American, and .8% are Hispanic. Measures were derived from questionnaires administered verbally to the adolescents during a summer visit to each family's home.

Because of the present study's focus on adolescents, the 11-item adolescent Compulsive Buying Scale developed by d'Astous et al. (1990) was used. Higher scores on the Likert-type items were associated with higher levels of compulsive buying. The measure of role model influence was adopted from Martin and Bush's research (Martin & Bush, 2000). The scale of susceptibility to normative peer influence was adopted from Mangleburg et al (2004). Two monitoring processes described and tested by Stattin and Kerr (2000) were used with slight modifications of the items to make them appropriate to early adolescents. Parental solicitation as measured with 5 items and supervision of spending were measure with 6 items.

Factor analysis on compulsive buying tendencies found that this construct was multidimensional. Three dimensions were identified: *(a) urge to buy, (b) lack of impulse control, and (c) post purchase guilt*. Path analysis results revealed significant and positive paths from urge to buy to lack of impulsive control, and to post purchase guilt, paths from susceptibility to normative peer influence to the three dimensions of compulsive buying tendencies, paths from role models to susceptibility to normative peer influence, and urge to buy, and a path from supervision of spending to lack of impulsive control. The paths from parental solicitation to the three dimensions of compulsive buying tendencies were not significant. However, there was a significant negative path from parental solicitation to susceptibility to normative peer influence. Results show that early adolescents' compulsive buying tendencies are mainly influenced by peer and role mode. Influence of parenting is mediated by peer influence. These findings indicate that compulsive buying tendencies may be developed by the early adolescent stage. At early stage of compulsive buying tendency, purposive element such as identity establishment may be a more salient factor than psychological tension on moving this tendency toward the extreme point of the compulsive buying continuum.

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## Consumer Inferences about Hybrid Goods and Services from Pricing and Innovation

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As services become a key source of differentiation, a growing number of new products exhibit the inclusion of both goods and service components. Assuming that firms operate under budget constraints, the decision to introduce new services versus new goods for hybrid products becomes a key strategic variable. Three studies examine how consumers balance their desires for goods versus service innovation in hybrid products and under what conditions these preferences shift. Findings reveal that consumers prefer the locus of innovation to reside on the goods component and this preference is strengthened by positioning the hybrid as a physical product. However, designing for customization and social networking shifts preferences towards innovation of the services component. Further, pricing the two components differentially produces asymmetric effects of perceived benefits for each element of the hybrid. The results suggest that firms can design and price the goods and services components uniquely to maximize overall profitability.

## The Good, the Bad, and the Red: Does "Giving" through Buying Replace Direct Giving?

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Product Red is just the latest in an ongoing procession of charitable promotions led by for-profit companies. Naturally, such activities are highly publicized and integrated with companies' promotional activities, which leads some to doubt the altruistic intentions of the companies involved (Fry et al., 1982; Varadarajan & Menon, 1988) or even assume utilitarian motives for company donations (Strahilevitz & Myers, 1998; Bloom & Novelli, 1981).

Of course, whether or not the reasons for corporate donations are pragmatic, a dollar is a dollar, and donations stand to increase public well-being regardless of what motivated them. Further, common sense would lead one to assume that corporate donations increase the social salience of donations, potentially increasing donations overall. But what if corporate charitability leads people to feel that by buying charity-tied products they have "done their job" and need not contribute more? Could giving through buying actually *replaces* direct giving?

The possible substitution of direct charitable donation by "donation" through buying is especially pertinent in one particular kind of cause-related marketing: the donation of a percentage of sales or profit to charity (POS). Here, it is the *consumer* rather than the *company* who is directly responsible for the donation. Through buying a $20 Product Red sweater, the consumer might feel that they have given to charity and thus satisfy the "need" to give. The result might be a reduction in the overall sum transferred to charity, since psychologically the person feels they "gave" $20, while in fact they have only given the 5% of the price that is transferred to charity. Thus, a donation of $4 (5% of $20) feels greater than it actually is, and might substitute what would have been a greater direct donation (see Olsen et al., 2003).

The current paper explores the potential effect of projects such as "Red" on subsequent contributions. In two studies, we demonstrate the basic "Red" effect: charitable giving through a "percentage of sales" (POS) leads to a reduction in subsequent giving. Followups are planned to explore boundary conditions. Additional studies will further explore the mechanisms underlying the phenomenon: The "Red" effect could be due to (a) an overvaluation of sums donated through POS and/or (b) a satisfaction of the motives that would otherwise lead to donation behavior.

*Study 1*. Participants in this study (*N*=132) engaged in simulated online shopping on Amazon.com. Each participant was asked to imagine they had a gift certificate for Amazon.com, and continued to browse Amazon and list items that they would like to buy using the certificate. In one condition (control), no further instructions were given. In the other condition (POS), participants were informed that on the same day "Amazon has a special promotion where they give X% of their sales proceeds to United Way" (including gift certificate sales).[6]

Following the shopping task, participants were told that Amazon was also receiving donations for the Red Cross, and asked how much if anything they would want to donate. After some demographic questions, participants were also asked if they would want to donate books to the library for a local charity sale occurring around the time of the studies. A sub-sample (n=87) of participants were asked about willingness to donate to a local homeless shelter following a fire, another real event that occurred at the time of the studies.

*Results and Discussion*. Mean donations to Red Cross were lower for the POS condition (*M*=$7.08) than for the no POS condition (*M*=$11.39). In other words, participants contributed less to charity if they had previously purchased items proceeds from which were donated to charity. Note that the difference between the two conditions ($4.31) far surpasses the maximum proceeds donated through purchase (average $1.82). Thus, a POS promotion similar to Product Red resulted in reductions in overall levels of charitable donations.

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[6]While these conditions were the same for the entire sample, the study was conducted in three different waves. For the first (n=37), the gift certificate was for $70 and the percent given for charity was 3%. For the second (n=50), the gift certificate and percent given were $50 and 2% accordingly. For the third (n=45), the certificate was also for $50 but the percent given was 5%. Since there were no significant interactions for date-wave and condition we collapse observations across waves, distinguishing only between percent-of-sales donation (Red) and no donation conditions.

Since the results contained outliers, the data was transformed using a log transformation. An ANOVA model controlling for self-perceived charitability found a significant effect of condition on donation ($F(1, 122)=3.96$, $p=.05$).

Further support for the hypothesis that donation through buying would reduce subsequent charitable behavior was found through examination of the other DVs, though results here were directional but not significant. POS participants were less likely to want to contribute books (17.5%) than control participants (27%). Similarly, only 14% of POS participants expressed willingness to donate food cans to the local shelter, versus 36.4% in the control condition.

*Study 2.* The study aimed to replicate study 1 with a few alterations. First, a different merchant and shopping medium was used (catalog shopping for J Crew). Second, the subsequent, post-shopping trip donation opportunity was separated from the shopping trip by presenting it as an unrelated event occurring later on the same day. Third, another control condition was added where participants could donate directly during the transaction as part of their shopping trip (n=34). The certificate sum participants could spend in this task was greater than before ($200), and the percent donated was 5% for half the participants in the Red condition (n=16), and 10% for the other half (n=16). Due to shortage in participants only 13 participants were assigned to the original control condition, though condition assignment was random. Total sample consisted of 79 participants.

New measures were added as well. First, we measured the amount of money participants spent in the trip. This served to ensure participants indeed chose items and it also permitted a more precise evaluation of POS donations. Second, several attitude measures were taken regarding the retailer, the charity collaborating with the retailer, and POS and direct donation as charity raising efforts. Attitudes for each object were gathered using three 7-point semantic differential scales (Good-bad, warm-cold, like-dislike).

*Results and discussion.* Replicating the results of study 1, participants in POS conditions donated less (M=$10.83) than participants in either control condition (M=$14.45).[7] There was no significant difference between the two control conditions (p>.1), which suggests the reduction in donations following Red donation wasn't merely due to the fact that in POS conditions participants had already donated whereas in the control condition they had not. Participants evidently donated less in POS than in either direct donation or no donation in all conditions, though these findings require replication.

The study also contributes in revealing potential boundary conditions on the Red effect: when the percent of sales given was high enough (10%), donations thorough the Red promotion ensured there was no reduction in overall donations over control. Further, the higher POS ensured no loss to the non-profit due to lower donations than in a parallel direct-donation situation. Donation in the shopping trip itself through either POS or direct donation was higher in direct donation ($13.89) than in the 5% POS condition ($9.07), but lower than the amount given to charity in the 10% POS condition ($16.81). In both cases donations come at the expense of the retailer, but might lead to higher sales given shopping that is not restricted to a particular sum as it was in our experimental task.

Attitudes towards the retailer did not differ between Red and control conditions. Attitude towards the non-profit for which donations were raised was directionally, though not significantly, lower in the Red condition ($\Delta=.27$ on a 7 point scale, p=.19). Attitude towards POS as a way of raising donations, however, was significantly lower in the POS condition: 5.13 vs. 4.34; $F(1, 77)=6.59$, p=.01. This suggests participants supported percent of sales donation in principle, but not when actually subjected to it, though further study is needed to ensure the robustness of this finding.

*Proposed studies.* The Red effect might be driven by an overestimation of donations given through POS promotions. People might bias their perception of the amount donated in the direction of the full sum of the purchase, rather than calculating the actual sum given to charity (Olsen et al., 2003). Since people might thus replace direct donation with a lesser indirect donation this might lead to an overall reduction in subsequent donations. This could be examined by asking for people's estimation of the amount donated through POS.

An additional psychological factor that might lead to decreased donations following "buying donations" is a satisfaction of people's selfish motivations for helping behavior (Harbaugh et al., 1998; Manner et al., 2002). If people are motivated to donate for reasons such as self-esteem (Crocker et al., 2003) or mood management (Cialdini et al., 1973; Bauman et al., 1981), satisfaction of these motives through the (lower) POS donation might lead to subsequent lower direct contribution. Further studies could explore this mechanism by manipulating selfish motivation to help (e.g., mood) and observing the impact on the Red effect.

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[7] Differences were directional but not significant due to high variance and small sample size at the point of writing.

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# Think Fast, Feel Good? Thought Speed Enhances Mood and Product Trial

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The impact of emotions in advertising is generally examined by manipulating message content (e.g. fear appeal, humor) or imposed through context (neutral ad appearing in an uplifting program). Less common, but perhaps equally important, is the creation of emotion through the use of medium features of ads such as zooms, edits and cuts (Lang 1990). Recently, Pronin and Wegner (2006) found that simply speeding up the time in which people were given to read a series of statements aloud induced positive mood. In addition to increasing positive mood, this effect of fast thinking was found to also increase feelings of energy. This work suggests that speed of presentation can affect both arousal and valence.

Prior research with media messages has tended to focus just on the impact of these features on the arousal dimension of emotion and its impact on attention and information processing. Features, such as number of cuts in a commercial have been found to elicit orienting responses and increased arousal (Lang 1990). Moving images have been found to increase arousal over still images (Lang, Dhillon and Dong 1995). Research on the speed of animated banner ads has found that fast animation increases attention and elicits increased physiological arousal. In turn, this may increase resources for information processing (Fox et al 2004, Sundar and Kalyanaram 2004).

Pronin and Wegner's work, however, suggests that that animation speed might not only influence arousal and recall, but also alters the valence of feelings. This is similar to theories such as perceptual fluency, where faster processing elicits more positive mood (Winkielman, et al 2003), or clinical cases such as manic episodes which are characterized by 'racing thoughts' along with elated mood. If faster speeds in banner animation do indeed create more positive feelings, this positive mood may influence brand evaluations.

However, some research shows that arousal may not always cause positive emotions. For example, arousal can serve to enhance judgments of an ambiguous ad in the direction of one's prior (positive/negative) mood (Gorn, Pham and Sin 2001). If this is the case, animation speed may not influence brand attitudes. However, it may still influence brand trial through the effect of arousal alone. Here, arousal may serve to tax self-regulatory resources and provide fewer resources to control subsequent desire (e.g. Vohs and Faber 2007).

To better understand the role of animation speed in banner ads can play, an experiment was conducted using a method similar to that employed by Pronin and Wegner. Because their message statements were highly valenced (positive or negative) it is difficult to dissociate induced mood from speed of thought. In order to overcome this problem, and to make the task more applicable to advertising, informational banner ads were used.

Eight banner ads, each with approximately 40 words and a visual brand logo, were put into a PowerPoint slideshow format. The ads were adapted from existing ads, with brands that were largely unfamiliar to the participants. The PowerPoint was programmed to progress at a speed of 40ms per letter in the fast condition (with an additional 400ms between slides) and at 160 ms per letter in the slow condition (with an additional 1,600 ms between slides). These speeds match those used by Pronin and Wegner and pretesting showed people correctly perceived the pace as fast or slow.

Participants filled out a pretest which included a baseline mood scale (PANAS; Watson, Clark, and Tellegen 1988) as well as some filler tasks. They were then shown to a room and told that they would be participating in an advertising study. Participants were instructed view and read out loud the content of the banner ads. They were told that this would be recorded to ensure that they had actually read all the information. Though this decreases external validity, this was necessary in order to ensure that the banners were being completely read at the speed shown. After going through a practice ad, they viewed the 8 ads in succession and then filled out a questionnaire which assessed their perceived speed of thoughts, feelings of energy and mood state. When that packet was completed, they were given a second packet with a previously unseen print ad and asked to complete additional questions related to this ad. This was done because work in arousal (e.g. excitation transfer) and mood has shown that it is transient and more likely to attach itself to objects and judgments apart from the cause. Thus it was believed possible that arousal from the fast animation would not influence the banner ads themselves, but would instead affect a subsequent message.

Participants in the fast condition rated their subjective feeling of thought speed significantly higher than those in the slow condition (t(54)=-5.02, p<.001). A significantly heightened sense of energy was also found in the fast group (t(53)=-2.21, p<.05). Interestingly, mood was significantly higher in the fast group for both positive mood (t(53)=-1.81, p<.05) and negative mood (t(53)=-3.27, p<.005). For ad evaluation there was no effect of speed of banners on attitude toward the subsequent ad (t(51)=-1.35, p>1), however those in the fast condition were significantly more likely to indicate that they would try the product (t(51)=1.91, p<.05).

As would be expected from a generalized arousal effect, those in the fast banner group reported a significantly higher sense of energy. Additionally, positive mood states showed an increase after viewing the fast banner ads relative to the slow condition. Interestingly, negative moods also increased more after viewing the fast banner ads. This contradicts the findings of Pronin and Wegner who only found an increased positive mood for their fast condition. Speed of presentation did not impact attitude toward the subsequent ad. In spite of a lack of difference between the groups in ad attitude, those in the fast group were more likely to say they would try the product. This finding is in line with work on self-regulation and impulsivity showing that cognitive, behavioral and attentional tasks that reduce self-regulatory resources all lead to an increase in impulse buying (Vohs and Faber 2007). The impact of arousal from fast banner ads may have similarly increased the likelihood of trial in response to a subsequent ad.

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# It Tastes Better Conscious: The Role of Attention in Hedonic Consumption Experience

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Imagine it's Thursday evening and you're enjoying dinner along with NBC's comedy night. The show is great and you're laughing and enjoying yourself. At the same time, though, are you enjoying your food? Would you enjoy your food more were you paying attention to eating rather than to the TV?

Surprising findings in recent consumer behavior research suggests that people might enjoy hedonic stimuli more when distracted. In two papers Shiv & Nowlis (2004; Nowlis & Shiv, 2005) demonstrated that consumers chose one of two options more and evaluated an option more highly after trying it under distraction than under no distraction. In Shiv & Nowlis' general procedure, participants tasted a food sample under high or low cognitive load, and subsequently evaluated the sampled item or chose between the item and an alternative. Participants consistently displayed enhanced preference for items tasted under distraction.

Shiv & Nowlis claimed this effect occurred due to the dynamics of two additive and independent elements of evaluation: affective and informational. Under the authors' assumption that the informational component is valenced lower than the affective component for hedonic items, a summation of the two should lead to reduced evaluation over a consideration of affect alone. Without distraction both elements add up to determine overall evaluation, whereas under distraction only the affective element effects evaluation. Thus, evaluation under distraction should be higher than evaluation under no distraction.

A vast literature in the psychology of pain perception, however, paints a different picture (for reviews see Cioffi, 1991; McCaul & Marlott, 1984). Under psychological models of pain perception, cognitive elements play an integral and interactive part with sense data in determining hedonic experience (e.g., Dar & Leventhal, 1993; Melzack & Wall, 1965). A similar role for conscious cognition and attention has been found in other domains, including consumer behavior (Lee. et al., 2006; Levin & Gaeth, 1988; Wood & Quinn, 2002). Under these conceptions attention is crucial to hedonic experience. Consequently, these models predict–and extensive research verifies– that distraction leads to a muting of hedonic experience.

How does one reconcile the conflicting results described above? We propose that memory processes, often neglected in both streams of research, might hold the answer. People's memory for hedonic episodes is often lacking, and is based on either selective recall for particular elements of the experience (Kahenman, 1999; Ariely & Zauberman, 2000), or on reconstructions based on beliefs and expectations rather than on actual recall (Novemsky & Ratner, 2003; Wilson & Gilbert, 2003). Thus, online judgments of experience might produce markedly different results then judgments following delay (Lee, 2002).

In Shiv & Nowlis' (2004; Nowlis & Shiv, 2005) studies, choice normally followed sampling after some delay. Consequently, participants under load (i.e., the distraction condition) might not have encoded their experience from working memory to long-term memory (e.g., Craik et al., 1996; Baddely & Craik, 1984). Thus, participants in the distraction condition might have based their evaluations or choices on *beliefs or expectations*, while participants in the no distraction condition might have based their evaluations or choices on *actual experience*. Thus, evaluations in the two conditions have different bases and are consequently rendered incomparable in regards to participants' actual hedonic experience (see Lynch & Srull, 1982; Lee, 2002). Further, the results obtained in Shiv and Nowlis' sampling studies make sense in light of the differential reliance on memory versus beliefs, since given the "high-quality chocolate" context of the experiments participants were likely to expect high quality from the sampled brand.

If these ideas are correct, a reversal of Shiv & Nowlis' results should be obtained given reliance on actual experience. This can be obtained by including an online evaluation, which will make the basis of evaluation for distraction and non distraction comparable. In sum:

H1a: Participants will prefer the tasted over the non-tasted items more with high (rather than low) distraction when evaluation is delayed.

H1b: Participants will prefer tasted over non-tasted items less with high (rather than low) distraction when evaluation occurs during tasting.

*Study 1*. The study closely paralleled previous studies of distraction and sampling. Participants (*N*=30) tasted chocolate and granola bars under high or low load (shopping list memorization), and subsequently indicated their preference between the tasted snack and a second, comparable alternative. In the online condition, participants indicated their preference during tasting, whereas in the delay condition participants indicated their preference after a minute's delay during which they recalled memorized lists. The design was a 2

(snack type: chocolate and granola-bar) X 2 (distraction: high or low load) X 2 (delay: delay or no delay) within-participants foldover design.

*Results and Discussion*. We ran an ANOVA model predicting choice from delay and distraction with snack-type as a covariate. No main effects or interactions were found for either snack-type or for the separately examined order of conditions (distraction, delay). There was no main effect of either distraction or delay ($p$>.2). The predicted pattern of delay and distraction was obtained, with the delay X distraction interaction significant at the .01 level ($F$(1, 52)=7.12).

When there was delay between sampling and preference indication, participants preferred the tasted snacks more under distraction (73.33%) than under no distraction (46.67%). The pattern was reversed when preferences measures were taken during sampling. Here, participants chose the sampled snacks more (80%) under no distraction than under high distraction (40%).

*Study 2*. Participants (N=87) tasted unidentified crackers under high and low distraction conditions similar to study 1. After tasting, participants received negative information about the crackers. This included a low consumer panel rating (4.6/10 points) and display of a cheap-looking cracker box (rated low in pretests) from which the crackers were ostensibly taken. Participants then rated the crackers on a scale of 1-7, anchored by "not at all tasty" and "very tasty", as well as rating the crackers on a 5-item evaluative measure taken from Shiv and Nowlis' studies.

Note that in this study all participants were essentially in a delay condition. Under our conceptualization, participants should weight the information they received (i.e., show lower evaluation) more under high, rather than low, distraction, reversing the normal delay/distraction pattern found in study 1 and in Shiv and Nowlis' research. This was indeed the case: participants evaluated crackers as less tasty on a 7-point scale under distraction (3.98) than they did under no distraction (4.67)-F(1,93)=6.09; $p$=.015. Similar results were obtained using the 5-item measures employed by Shiv and Nowlis ($p$=.05). Note that these results are the opposite of the prediction of Shiv and Nowlis' framework, where information should be weighted more highly under low, rather than high, distraction.

The next study planned will examine the moderating role of the intrinsic valence-level of the consumption experience using high and low (taste quality) rated snacks. Under the predictions of the current model, experience should weigh more heavily under low, rather than high, distraction.

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# The Sins of the Father Shall Be Visited Upon the Sons: The Effect of Corporate Parent Affiliation on Consumers' Perceptions of Corporate Societal Marketing

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## Abstract

This research investigates how affiliation with a corporate parent affects consumers' perception of corporate societal marketing (CSM). It also examines whether this effect is more pronounced when the affiliation is perceived to be hidden, and therefore in violation of the norm of openness. Lastly, the study examines whether any of the effects flow back to the parent company. Findings include that corporate parent affiliation does not necessarily lead to decreased evaluations of the niche marketer brands. However, when consumers see the affiliation as hidden, evaluations are negatively affected. Evidence suggests effects may depend on prior track record of parent firm.

## Conceptualization

Corporate societal marketing is an increasingly popular method of building brand equity (Hoeffler and Keller 2002). Some niche brands have been successfully built by firms appealing to socially concerned consumers. Several such firms have been acquired by larger firms. Examples of this phenomenon are reviewed and discussed. In each case, a large firm acquired a smaller firm and continued to operate the brand unchanged. This strategy seems to assume that consumers will continue to value the brand based upon its CSM characteristics. It is possible, however, that consumers devalue the brand upon learning of such an affiliation, especially if the parent brand is perceived to lack similar commitment to the cause. The purpose of this paper is to examine how consumers evaluate CSM based brands of a niche marketer affiliated with a larger firm.

The study is informed by three principle areas of theory: 1) corporate societal marketing, 2) the correspondence bias in attribution theory, and 3) fairness in marketing. The correspondence bias refers to the attributional bias in which people make judgments about others based upon their behavior, even in the presence of situational constraints that offer alternative explanations. Fein, Hilton, and Miller (1990) found that the presence of ulterior motives acts as an antidote to the correspondence bias. When behavior may be motivated by an ulterior motive, observers become suspicious, and are therefore less inclined to make attributions based on that behavior. In the present research, it is expected that upon learning of the affiliation, the ulterior motive of image management, or of the profit motive, will become accessible as a ulterior motive for the CSM activities, causing consumers to lower their evaluations of the firm and brand.

Fairness is an important component of exchange (Oliver and Swan 1989; Campbell 1999). Ashworth and Darke (2006) found that consumers' perceptions of fairness are affected by violations of prescriptive norms–such as openness–even when the outcomes of the exchange were perceived to be distributively fair. Consumers expect to be treated fairly in the marketplace, not only because of material concerns, but also as a matter of principle. In the present research, it is expected that consumers' perception of openness will affect their evaluation of the companies and their brands.

Corporate Societal Marketing (CSM) has been defined by Drumwright and Murphy (2001) as marketing initiatives that have at least one non-economic objective related to social welfare and use the resources of the company and/or one of its partners. There is evidence that consumers' evaluation of CSM efforts depend partly upon their perceptions of the marketers' motivations or intentions. It is expected that consumers will find it more credible that a niche focused firm is sincerely motivated by social objectives than is a larger, more diversified firm.

## Study 1

### Method

A total of 268 participants (131 males) with a mean age of 32, ranging from 18 to 80 participated. A mixed sample of students and non-students was sought to increase external validity. The study employed a three-group posttest-only randomized experimental design, and was conducted by means of an online website.

Participants viewed materials consisting of an abridged version of the niche brand website, and mocked up news stories ostensibly from an online business news service. Affiliation with a corporate parent was manipulated by exposing the participant to different levels of information about the affiliation in each of the three conditions (control, open, hidden). The effectiveness of the manipulation, as well as the intended interpretation of the other materials, were confirmed through checks.

Established scales were used to measure brand beliefs, attitude towards the brand, organizational associations, and brand sincerity. Reliability was shown through an assessment of Cronbach's alpha

### Major Findings

Repeated measure ANOVA was conducted for each of the dependent measures treating brand as a within-subject factor. In the norm of openness violation condition, the following effects were found: 1) brand beliefs of the parent brand (product effectiveness) are reduced, 2) attitude towards the niche brand were (marginally) reduced, 3) brand sincerity were reduced for the niche brand, and 4) organizational associations were reduced for both the parent and the niche brand. In the open condition there were no such effects.

Consumers' perceptions of a niche brand are not necessarily effected by knowledge of an affiliated with a corporate parent, even though the parent's behavior is at odds with the CSM values. When the social norm of openness is violated, however, the results are quite different. Openness is an important consideration for consumers when forming evaluations. Some evidence was found that these effects flow back to the parent company. This may be because a norm violation leads to distrust, which generalizes to the consumers' brand beliefs.

## Study 2

The objective of study two was to replicate the findings of the first study, while extending them by investigating whether the effects depended upon the prior social responsibility track record of the parent firm. Parent company track record was manipulated by the text of the news story.

*Method*

A total of 235 participants (125 females) with a mean age of 20, ranging from 18 to 29 participated.. The study was a 2(track record: good or bad) x 3(disclosure of affiliation: none, open, or hidden) and was conducted by means of an online website. Because the manipulations involved subtle differences in written language, non-native English speakers were eliminated from the sample, resulting in a useable sample of 207.

*Major Findings*

As in study one, repeated measure ANOVA's were performed, treating brand (parent or niche) as the within subject factor. It was found that when the parent company has a good track record, disclosure of the affiliation does not effect perceptions of parent brand sincerity. However, when the parent company's track record is poor, hidden disclosure lowers perceptions of parent brand sincerity. A similar pattern of effects were found for attitude towards the parent firm.

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# Experts, Novices, and Non-consumption among Appalachian Trail Thru-hikers

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We study consumer expertise among thru-hikers of the Appalachian Trail (AT). The AT, a 2,175 mi. trail that extends along the Appalachian mountain range from Georgia to Maine, is the site of a four- to six-month trek of 2,000 hikers annually. Consumption decisions in preparation for this trip are constrained by the ability to physically carry what is purchased. Also, the confined juxtaposition of novices and experts on this extended hike creates a site in which adaptive, situational learning takes place. We document this process and suggest a conceptualization of consumer expertise that extends beyond that seen in the consumer research literature.

An extensive literature exists in judgment and decision making that describes how experts and novices differ. For instance, Johnson and Russo (1984) found that consumers familiar with a product category had increased ability to code and organize new information related to that product category and limited their search activities for that category. Sujan (1985) found that experts and novices used different categorizing processes when faced with discrepant information in an advertisement. Experts in Maheswaran and Sternthall's (1990) study processed attribute information (as opposed to benefit information) more extensively than did novices and also found that detailed processing by experts was more evaluative in nature, while that done by novices tended to be more literal, suggesting that category knowledge influences not only the amount of processing done, but also the qualitative nature of that processing.

Alba and Hutchinson (1987) suggest that consumer knowledge is comprised of both product familiarity, which they define as "the number of product-related experiences that have been accumulated by the consumer," and expertise, defined as "the ability to perform product-related tasks successfully" (p 411). They suggest that the former leads to the latter and that expertise has five different dimensions: cognitive effort, cognitive structure, analysis, elaboration, and memory. Common to these studies is a paradigmatic focus on the psychological inputs into and moderators of the individual decision-making process. In contrast, we focus on the lived experiences of expert and novice hikers as they progress. We define an expert as "someone who has acquired domain-specific knowledge through experience and training" (Spence and Brucks 1997, p 233), and operationalize it as a hiker who has covered at least 2,000 miles on the AT, while a novice hiker has hiked at least 200 miles. Our focus is on the social interactions and the learning processes exhibited by expert and novice hikers, and specifically their gear- and equipment-related decision processes.

We used a focused ethnographic approach consistent with past research in the consumption literature (Arnould and Wallendorf 1994; Spiggle 1994). Data were collected using depth interviews with thru-hikers with variation sought on gender, age, hiking experience level, and degree of involvement in the AT thru-hiking community. Additional sources of data included informal discussions with thru-hikers, participating in the annual Trail Days gathering, and conducting of video-ethnographic interviews with hikers about their equipment. Lastly, we have both backpacked on the AT extensively since childhood. The data were analyzed hermeneutically (Thompson 1997)—initial categories were iteratively challenged and restructured as the study progressed and as themes emerged.

We find a conceptualization of expertise, distinct from that found in the judgment and decision-making literature that is characterized by Reflective Choice Adaptation (RCA). RCA consists, first, of self-reflection sited in both private (individual) and public (social) spheres. Public journaling allows experts to share the benefit of their experiences with both novices and other experts, and allows learning to be scaffolded through the discursive process of public feedback and evaluation. Adjustment to dynamic environmental conditions is the second characteristic of expertise. This ability to make choices within the contextually rich decision context, rather than dogmatically, allows the expert to adjust rapidly to changes in the environment. The final characteristic of expertise we found was that of adaptation. Adaptive expertise involves the marshalling of resources (in both cognition and equipment) in situ to adapt to the demands of a given situation, and includes the modification or creation of personalized technologies. Several experts we met along the trail carried shelters, clothing, or tools that they had made themselves because no product existed, or because the available tools failed to satisfy the hikers' needs.

We find that RCA more completely characterizes experts than do previous conceptualizations of expertise in the consumer research literature when the context examined is more social in nature, and we suggest that there might be applications to not only other recreational contexts, such as performance musicians and live-aboard sailors, but also other decision contexts such as purchase situations where the act of purchase is more social in nature.

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