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2008 Winter Conference**



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Editors

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Maria L. Cronley and Dhananjay Nayakankuppam, Editors

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**Papers Presented at the
Society for Consumer Psychology
2008 Winter Conference**

LOOKING FOR LOVE: META-ACCURACY AND SELF-PRESENTATION IN PERSONAL ADS

Marjorie Delbaere, University of Saskatchewan
Kelley Main, University of Manitoba

ABSTRACT

Estimates have suggested that there are more than 95 million North Americans who are single, and over half of that 95 million are actively looking for someone to date at any given time (Forster 2002). One increasingly popular method of meeting new people and initiating relationships is through the use of personal advertisements, also referred to as lonely hearts, companion ads and profiles, an industry estimated to be worth \$1 billion in the United States (Prasad, 2006).

Personal advertisements are used to communicate availability and a set of marketable assets to others. These advertisements represent a marketing exchange wherein consumers have to pay money to advertise themselves. Within the ad itself, consumers list traits and characteristics that are believed to be desirable. Pawlowski and Koziel (2002) maintain that personal advertisements actually serve to “open the bidding” between potential partners. Hirschmann (1987) maintains that these personal ads represent the offering of *people as products*, as a set of marketable resources in search of an appropriate buyer. On the basis of this limited information in the advertisement, people decide whether or not they are going to begin the relationship initiation process.

In spite of the rising importance of the singles market and the continuing popularity of personal advertisements and online profiles for attracting and meeting significant others, very little current research exists on the effectiveness with which people are marketing themselves. What messages are people communicating in their ads? What impressions are they conveying? And perhaps most importantly, how accurate are they at communicating with others through their ads?

The first question of interest to this research was to demonstrate how consumers present themselves in a personal ad. Previous research has focused on whether men and women differ in their tendencies to seek certain financial or physical resources in their potential partner (Harrison and Saeed 1977; Hirschman 1987; Koestner and Wheeler 1988). Given the changing nature of current society, our first step was to determine whether this trend was still valid using content analysis. A total of 373 ads were randomly selected from six North American newspapers. Results indicate that, contrary to previous research, women are not more likely to mention their physical attributes than men in the ad headline. As for financial resources, results are consistent with previous research in that men are more likely to advertise their financial resources in ad headlines than women ($\chi^2 = 8.626, p=.003$). Women are also significantly more likely than men to advertise that they were looking for someone with substantial financial resources ($\chi^2 = 29.214, p=.000$). Now that we have a general sense of the trends in current personal ads, it is important to turn to a more theoretically interesting question relating to the accuracy conveyed in those ads.

The second question of interest focused on the impression management concerns of the writers of personal ads as well as the impressions actually conveyed through the ads. Social relations theory, specifically metaperceptions (Kenny and DePaulo, 1993), was drawn on to investigate the potential

discrepancy between what writers of personal ads thought people would think of them (metaperceptions) based on their ads and the impressions people actually formed (other perceptions). The literature on meta-accuracy, or the difference between metaperceptions and other perceptions, has been largely silent on the issue of gender differences. A review of the literature on self-handicapping (Hirt, McCrea and Kimble 2000; Kimble and Hirt 2005) and self-presentation (Heatherington, et al. 1993) suggests two competing hypotheses for men and convergence in predictions for women. In general, it is expected that consumers are inaccurate in judging how others view them (e.g. Bolig, Stein and McKenry 1984). Specifically, men are expected to be inaccurate in a negative way, according to the literature on self-handicapping, whereas the literature on self-presentation suggests that men will be inaccurate in a positive way. Due to the anonymity of personal ads, the self-presentation literature suggests that women may also be inaccurate in a positive manner.

Undergraduate business students from two large North American universities participated in the study. The study was run in two separate phases. Phase one involved having subjects create their own personal ads. After the ad creation, participants were then given a list of traits and were asked to indicate to what extent (on a 7-point scale) they felt the reader of the ad would think that they possessed the specific trait (metaperceptions). The second phase of the study involved selecting specific personal ads created by subjects in the first phase (three for each gender with varying numbers of included traits) and having a different group of subjects read the ads and give their impressions of the writer of the ad. Accuracy was calculated by subtracting metaperceptions of the writers from the actual, or other, perceptions of the readers of the ads.

Results illustrate as the number of traits mentioned in the ad increase, men perceive female writers of personal ads as more fun and extroverted. Women, on the other hand, perceived male writers of personal ads as more intelligent and less desperate as more traits were mentioned in the ads. Overall, both men and women were relatively inaccurate in their metaperceptions. In general, male writers overestimated their attractiveness to readers on all traits, while female writers were less positive. Women tended to underestimate their perceived intelligence as well as their physical appeal. Although there does not appear to be a consistent pattern in terms of accuracy between men and women, the magnitude of inaccuracies for men were generally larger than the magnitude of inaccuracies for women.

This research is the first to examine personal advertisements using concepts from impression management and social relations theory. Our major contributions lies in demonstrating that there are gender differences in meta-accuracy for personal ads. Specifically, results demonstrate that the number of traits mentioned in a personal ad influences the perceptions of the writers of the ads differently depending on the specific trait evaluated, as well as the gender of the reader. This pattern of inaccuracy was different for male and female writers, suggesting that women are underestimating their appeal to the opposite sex while men are overestimating their appeal. The implications of this meta-accuracy for those seeking romantic partners are significant and may lead to responses from undesirable respondents.

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ANTECEDENTS AND ATTITUDINAL EFFECTS OF THOUGHT CONFIDENCE

Hsuan-Yi Chou, National Taiwan University
Nai-Hwa Lien, National Taiwan University

ABSTRACT

Thought confidence is a cognitive construct that reflects a subjective sense of conviction or validity regarding one's thoughts (Brinol et al., 2004). It has been shown that confidence in thoughts can play an important role in persuasion (e.g., Petty et al., 2002; Brinol et al., 2004; Tormala et al., 2006). According to the self-validation hypothesis (Petty et al., 2002), having greater confidence in one's thoughts increases the impact of those thoughts on attitude change. However, in the previous studies thought confidence was either manipulated or measured after exposure to the persuasive messages. The effects of thought confidence when induced prior to or during the ad exposure remain unknown. In addition, previous studies hardly discussed the antecedents of thought confidence, except for Brinol et al (2004), which demonstrated that source credibility could influence consumers' attitude by affecting thought confidence. Therefore, the goal of the current study is three folds: (1) to explore other potential antecedents of thought confidence; (2) to examine the role of thought confidence in persuasion settings when it is induced prior to or during the ad exposure; and (3) to examine the predictive utility of thought confidence for attitude strength and attitude confidence.

Brinol et al. (2004) suggested there may be numerous source, context, and recipient variables that would determine thought confidence. In our work, we consider one source factor, source attractiveness, as a possible antecedent of thought confidence. We predict that normally attractive models will lead to higher confidence than highly attractive models because normally attractive models are perceived as more trustworthy (Deshpande and Stayman, 1994; Bower and Landreth, 2001) and thus enhance consumers' confidence. For context factors, we draw from the "mood-as-information" theory (Schwarz et al., 1991) and hypothesize that positive mood states, by signaling that current situation is safe and one's thoughts are fine, will enhance thought confidence. Individual's dispositional optimism will also enhance confidence in one's own thoughts by focusing on positive outcomes (Scheier et al., 1994) and elaborating on valenced information (Geers et al., 2003).

When thought confidence is induced prior to or during message exposure, it may influence the extent of processing, i.e., the number and quality of thoughts people generated. Evidences show that people engage in systematic processing when they believe in their own efficacy and ability to evaluate (Bohner et al., 1998). Therefore, we predict that as thought confidence increases, the extent of processing will increase and thus more thoughts will be generated. It is also hypothesized that thought confidence is positively related to attitude strength and attitude confidence, since attitudes formed via systematic processing are more persistent and resistant to change (Eagly and Chaiken, 1993). In addition, greater confidence will evoke more positive thoughts and form more favorable attitudes when exposed to strong arguments, but will generate more negative thoughts and result in less persuasion when exposed to weak arguments (Tormala et al., 2002; Brinol et al., 2004).

A 2 (argument strength: strong or weak) x 2 (source attractiveness: high or normal) x 2 (moods: positive or neutral) between-subject experiment was conducted. Participants' dispositional optimism

was also measured for median split. One hundred and fifty-three participants were asked to view a print ad of a digital camera. A real but unfamiliar brand “Che-ez!” was used to eliminate the effect of prior brand attitude. The ad contained five arguments that were either all strong (e.g., superior vibration reduction mode) or all weak (e.g., 16 MB built-in memory) with respect to the product, and photos of models who were either highly or normally attractive. Before viewing the ad, half of the participants were instructed to imagine themselves winning a prize to travel to Greece in a game show, and planning to buy a new digital camera for the upcoming happy overseas tour (positive mood condition), while the other half was told that they were going to travel with several unfamiliar friends and were asked to bring a camera (neutral mood condition). Immediately after the ad exposure, participants were asked to list all their thoughts that came to mind as viewing the ad and reported the extent to which they had confidence in their thoughts. Dependent measures and manipulation checks then followed.

After running a series of analyses of variance (ANOVAs), the results supported most of our hypotheses. The major findings were as follows. (1) Source attractiveness and optimism worked as the antecedents of thought confidence. Normally attractive models could increase thought confidence, compared to highly attractive ones, and this effect was mediated by source likeability. Optimism was also positively related to thought confidence. Positive moods could increase thought confidence only when the ad contained weak arguments and featured a normally attractive model. (2) Inducing thought confidence before or during the ad exposure influenced both the amount and direction of thoughts. More thoughts were generated as thought confidence increases. When exposed to weak arguments, people who have higher confidence generated presumably negative thoughts and most of these negative thoughts were ad-related. When exposed to strong arguments, however, thought confidence did not have an impact on the valence of thoughts. (3) The higher thought confidence, the stronger attitude strength and attitude confidence. (4) Similar to the prediction of the self-validation hypothesis, thought confidence strengthened the effects of net ad-related thoughts on ad attitude and brand attitude. However, there is no additive effect among the three confidence-enhancing factors. When confidence was heightened by one factor (e.g., normally attractive models), the confidence evoked by another factor didn't have effects on ad attitude and brand attitude.

In sum, our study contributes to the thought confidence literature by identifying some of the antecedents, exploring the role of confidence when induced prior to or during message exposure, and confirming its effect on attitude strength and attitude confidence. In addition, the level of involvement was not constrained to be high or low in our study, but thought confidence still had the predicted effects on attitudes, suggesting that the effects of thought confidence could still occur even when involvement is not particularly high.

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CAN'T STOP RUMINATING: THE ROLE GENDER PLAYS ON CONSUMER REGRET OF ACTIONS & INACTIONS OVER TIME

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ABSTRACT

Many of us have had the experience of regret with either staying with a brand (i.e., regret of inaction) or switching to a new brand (i.e., regret of action) – or at least, we've had a similar experience of regret with a purchase decision. As a result of this regret of action or inaction, we replay the scenarios again and again in our heads trying to rationalize why we made such a decision; in other words, we *ruminates* about our past purchase decisions. Within the regret literature, there are two distinct streams of researchers that either argue regret is greater when there is an action versus inaction, or vice versa (Kruger et al. 2005; Savitsky et al. 1997). In order to explain these opposing results, researchers have argued that time plays a role in the intensity of regret (Gilovich and Medvec 1995b); particularly, these researchers propose that actions result in greater magnitude of regret in the short-term, but then dissipates fairly quickly as opposed to regret of inactions, which linger around in the long-term. However, contrary to these arguments, some researchers have found that inaction regrets decrease over time and action regrets increase over time instead (Abendroth and Diehl 2006). Findings regarding the intensity of regret and time remain inconsistent.

Furthermore, both the experiences of regret and rumination have been consistently associated with negative emotional responses (Davis and Nolen-Hoeksema 2000). Rumination refers to the occurrence of repetitive thoughts, formally defined as “conscious thinking directed toward a given object for an extended period of time” (Martin and Tesser 1989). Findings suggest women are more likely than men to engage in rumination (Nolen-Hoeksema et al. 1999; Nolen-Hoeksema 2001). However, from a marketing standpoint, the extent of rumination should be contingent upon the value of a product type for specific genders, not just gender alone. Although the relationship between gender and rumination has been well established, no research to date examines the influence of gender on the consequences of both regret (i.e., actions and inactions) and extent of rumination, within a temporal orientation.

Consequently, the aim of this study is to examine gender differences in the context of regret and rumination over time. We predict that dependent upon gender, regret type and time orientation will moderate consumers' extent of regret and extent of rumination.

Study

The experiment is a 2(male vs. female) X 2(short-term vs. long-term) X 2(regret of action vs. regret of inaction) between-subjects design. This experiment included manipulations using purchase-decision scenarios. Procedures for this study have been adapted based upon the procedures of Tsiros and Mittal (2000). Four experimental conditions were generated, and gender was factored across these four conditions. For example, for the regret of action by short-term condition, subjects experienced induced regret due to the action of switching laptop brands (versus not switching in the inaction condition) within a short period of time (i.e., within past week vs. three years ago for long-term condition). 125

undergraduate students taking business courses from a southern university in the United States participated in the study.

Extent of Regret. An ANOVA was performed with univariate follow-ups to assess the interactions on the extent of regret. There was a significant three-way interaction for this dependent variable ($p < .05$). Follow-up contrasts indicate a marginally significant increase ($M=5.56$ vs. $M=7.13$) in the extent of regret for the regret of *action* in the short-term for females ($F(1, 34)=3.86$, $p = .058$); however, there was no significant decrease in the extent of regret for the regret of *inaction* in the short-term. For males instead, follow-up contrasts indicate a significant decrease ($M=7.41$ vs. $M=5.41$) in the extent of regret for the regret of *inaction* in the long-term ($F(1, 29)=7.22$, $p < .05$) but no significant increase in the extent of regret for the regret of *action* in the long-term.

Extent of Rumination. The ANOVA yielded a significant three-way interaction for this dependent variable ($p < .05$). Follow-up contrasts indicate a significant increase ($M=4.09$ vs. $M=5.35$) in the extent of rumination for the regret of *inaction* in the long-term for females ($F(1, 32)=4.26$, $p < .05$); yet, there was no significant decrease in the extent of rumination for the regret of *action* in the long-term. Conversely, follow-up contrasts indicate a significant decrease ($M=6.18$ vs. $M=4.51$) in the extent of rumination for the regret of *inaction* in the long-term for males ($F(1, 29)=8.27$, $p < .05$) but no significant increase in the extent of rumination for the regret of *action* in the long-term.

Results of this study show that time influences the extent of regret and rumination whether it is an action or inaction, and gender plays a significant role in this interaction. The extent of regret and rumination is greater in the short-term due to the awareness of the action. However, the extent of the regret of inaction is a bit harder to feel in the short-term since the awareness factor does not typically present itself until the future. Accordingly, the extent of rumination in the short-term for an inaction is reduced as well. Altogether, the extent of regret and rumination of an inaction is not as high in comparison to an action in the short-term. Most interestingly however is that these results are only consistent for females and not males. Findings suggest that males' extent of regret and rumination patterns are inconsistent to that of females in terms of their inactions over time; specifically, males' extent of regret and rumination significantly decreases in the long-term instead of significantly increasing. The type of product used within the study may have played a significant role in these patterns of results since laptops may be viewed as a product that males feel more strongly towards than females. Subsequent studies examining the mediating role of gender-specific products types would be useful in better understanding the relationship between extent of consumer regret of actions and inactions and rumination over time from a consumer psychology perspective. Findings of this study extend regret research and bring a new perspective on how rumination integrates into the marketing literature.

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USING CUE CONSISTENCY THEORY TO INVESTIGATE POTENTIAL EFFECTS OF THE COUNTRY OF ORIGIN LABELING ACT (2002)¹

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ABSTRACT

The rapid growth of less developed countries in international trade has led to concerns by consumers as to the relative quality and efficacy of products. Such concerns have led to questions as to the meaning of a “Made in ...” label, especially if various parts or ingredients of the product were made or originated in multiple countries. Can consumers judge the relative quality and value of such products? Consequently, the U. S. Congress passed the Country of Origin Labeling Act in 2002 with most of its provisions to become effective in 2008. Given the recent pet food and toothpaste recalls, both because they contained ingredients believed to be harmful to animals and humans, there has been increased calls for more stringent labeling laws. Thus, the question of the effect of ingredient country of origin on consumer behavior has become an important research issue (cf. “Not Made in China”, *Business Week*, July 30, 2007, 41-43).

Research on the influence of a product’s country of origin has been based on the premise that country of origin as an external cue, similar to brand name and price, has an influence on consumers’ product evaluations. Today, a further complication is what we will refer to in this research as country of ingredients origin. That is, the complex nature of global products today provides situations where one product can have mixed origins (i.e. harvested in Thailand and processed on Mexican-owned vessels under a USA brand). For food products, China has rapidly become one of the world’s largest suppliers of a variety of food ingredients including vitamins, fruit juices and other foods.

As shown by previous research (see review by Verleigh and Steenkamp 1999), a product’s country of origin has a strong influence on consumers’ quality perceptions and willingness to buy. However, the role of the *country of ingredients origin* as an extrinsic cue has not been studied previously. To address this limitation, we examine the effect of country of ingredients origin labeling on consumers’ product evaluations and how they utilize the information along with *brand*, *price* and *certification cobrand* when evaluating products’ quality.

Conceptualization and Theoretical Framework

The purpose of this present investigation in a series of studies (Appendix 1) is to examine the influence of the pattern of cues, namely cues consistency such as *brand*, *price*, *certification cobrand* and *country of ingredient origins* upon the manner in which these cues are used in product evaluations. The situation to be studied is when several extrinsic cues are provided how consumers form their perceptions of product quality, value and willingness to buy. Cue consistency theory (Slovic 1966; Miyazaki, Grewal, and Goodstein 2000) suggests that when a set of cues is consistent each cue will reinforce a

¹The Country of Origin Labeling Act (2002) will be mandated in September 2008. All food products will need to specify the country of origin details on the product label.

subsequent judgment. On the other hand, inconsistent cues may signal contradictory information. Moreover, evaluations with inconsistent cues may depend upon some consistent subset of the inconsistent cues.

When consumers are uncertain about the quality of products, they may use extrinsic cues to judge the quality claims made by the sellers (Monroe 2003). A product's *brand name* is a cue for customers representing images that they have formed about the brand and may be used as an indicator of quality (Rao and Monroe 1989).

Similarly, *country of origin* cues can also influence consumers' quality perceptions and their confidence in the quality of the product. This reduced uncertainty lowers consumers' information costs and their perceived risk, thereby enhancing their perceptions of value (Urbany et al. 1997). People form an initial concept of a product on the basis of its country of origin and this concept once formed can influence how information about the product's specific attributes is interpreted (Hong and Wyer 1990). When a product's country of origin has a reputation for producing low-quality products, there may be a negative impact on product evaluation (Hong and Kang 2006).

In uncertain information environments, *price* serves both as a signal of monetary sacrifice and as a signal of product quality (Monroe 2003). The price-quality-value model argues that buyers determine perceived value by mentally trading off or comparing the perceived gains represented in their perceptions of quality or benefits to be received against the perceived loss represented in their perceptions of sacrifice required to acquire the product or service.

If a brand name is capable of signaling quality, then the presence of a *certification cobrand* (i.e., USDA organic) as an additional signal to endorse and signal the primary brand's product quality may enhance quality perceptions. This research uses a certification logo as an additional cue cobranded with the primary brand on the product packaging. When a certification cobrand is presented, the certification symbol conveys important information on product attributes and unobservable product quality to consumers. If the certifying agency is perceived to be reputable, then the certificate or label on the product should enhance consumers' perceptions of the product's quality.

We hypothesize that if the extrinsic cues among the *brand*, *price*, *certification cobrand* and *country of ingredient origin* of the product are perceived to signal consistently high quality, then consumers will judge the product to be of higher quality than when one or more of the cues are perceived to signal low quality

Method

Four experimental between subjects studies (Appendix 1) are planned to examine how multiple extrinsic cues such as *brand*, *price*, and *certification cobrand* interact with *country of ingredients origin* to influence consumers' perceptions of product quality and value and their behavioral intentions. The first three studies utilize a national representative sample of adults in the United States and is scheduled to be conducted August 15, 2007. The fourth study examines the hybrid level of country of origin construct and its impact on perceptions of quality, value and willingness to buy. This study will utilize student participants in October, 2007.

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Appendix: Research Design
 First Round Data Collection on 15 August 2007 (National Representative Samples)
 Study I: -- 2(Brand) x 2(Price) x 2(Ingredient Origin)

Primary Brand Price Ingredient Origin	Cascadian Farm Raisin Bran		Kellogg's Raisin Bran	
	Low Price	High Price	Low Price	High Price
Ingredients Made in USA	25 Subjects	25 Subjects	25 Subjects	25 Subjects
Ingredients Made in China	25 Subjects	25 Subjects	25 Subjects	25 Subjects

Product 1: Raisin Bran Ready to Eat Cereal
 Brand: Cascadian's Farm, Kellogg's
 Price: Low, High
 Ingredient Origin: USA, China
 Certification Cobrand constant: USDA Certified Organic Label

Study II: -- 2(Price) x 2(Certification Cobrand) x 2(Ingredient Origin)

Price Certification Cobrand Ingredient Origin	Low Price		High Price	
	No Certification	USDA Organic	No Certification	USDA Organic
Ingredients Made in USA	25 Subjects	25 Subjects	25 Subjects	25 Subjects
Ingredients Made in China	25 Subjects	25 Subjects	25 Subjects	25 Subjects

Product 2: Personal Care Item
 Price: Low, High
 Certification Cobrand: No Certification Label, USDA Organic
 Ingredient Origin: USA, China
 Primary Brand constant: Familiar Brand (Nivea)

Study III: -- 2(Price) x 3(Ingredient Origin)

Ingredient Origin Price	Centrum with USDA Certified Organic Label		
	Ingredients Made in USA	Ingredients Made in China	Ingredients half made in China half made in USA
High	25 Subjects	25 Subjects	25 Subjects
Low	25 Subjects	25 Subjects	25 Subjects

Product 3: Multiple Vitamins

Price: Low, High

Ingredient Origin: 100% USA, 100% China, 50% USA 50% China

Primary Brand constant: Familiar Brand (Centrum)

Certification Cobrand constant (USDA Organic)

Second Round Data Collection October 2007 (Student Samples)

Study IV: -- 2(Brand Origin) x 2(Manufactured Origin) x 2(Ingredient Origin)

Brand Origin Manufactured Origin Ingredient Origin	USA Brand Crest		Chinese Brand Darlie	
	USA Factory	China Factory	USA Factory	China Factory
Ingredients Made in Germany	25 Subjects	25 Subjects	25 Subjects	25 Subjects
Ingredients Made in China	25 Subjects	25 Subjects	25 Subjects	25 Subjects

Product 4: Toothpaste (Price is constant)

Brand Origin: Crest (USA Brand), Darlie (China Brand)

Manufactured Origin: USA, China

Ingredient origin: USA, China

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ASSESSING THE PREDICTIVE ABILITY OF THE BREADTH-BASED ADJECTIVE RATING TASK (BART) IN THE FAST MOVING CONSUMER GOODS DOMAIN

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ABSTRACT

Consumer researchers have sought the development of a reliable and valid indirect measure of consumer attitude in order to illuminate aspects of consumer experience that otherwise may be difficult to study (Haire, 1950). The goal of these studies was to evaluate the Breadth-based Adjective Rating Task (BART) (Karpinski, Steinberg, Versek, & Alloy, in press), an indirect paper-and-pencil measure of consumer attitude, in the fast moving consumer goods domain. The BART is based on the premise that people tend to describe expectancy consistent information with broad, abstract traits, and expectancy inconsistent information with narrow, concrete traits. The BART quantifies this abstraction bias by having participants rate how well trait adjectives, known to vary by breadth and valence, describe an attitude object. Initial studies have provided evidence of the reliability and validity of the BART as a measure of self-esteem (Karpinski et al., in press) and consumer brands (Steinman & Karpinski, 2006). The current studies represent an attempt to further extend the validity of the BART into the fast moving consumer goods domain.

Previous research in social domains indicates that spontaneous behavior may be guided by implicit attitude and deliberative behavior by explicit attitude (McConnell & Leibold, 2001). Thus, one can extrapolate that it is likely there are consumer situations where measures of indirect attitude may be better predictors than explicit attitude measures. For example, in the fast moving consumer goods domain purchase is often made without exerting significant cognitive effort. For these purchases, ones that consumers make frequently, emotions, automatic processes, and nonconscious motives should be taken into account. An entirely rational, deliberative model of understanding these behaviors would not fully explain the important aspects of consumer behavior that are beyond awareness yet influence consumer choice. Thus, the fast moving consumer goods domain appears to be an ideal venue to assess the predictive ability of the BART.

In these studies, we hypothesized that the BART would be related to participants' verbal reports of past behavior and predict prospective choice for a selection of fast moving consumer goods. It was expected that the BART would highlight the role of nonconscious processes ostensibly affecting consumer behavior. In each study, participants were tested in groups, but did not interact with each other during the research. All participants first completed the BART measure followed by the explicit attitude measures. The BART is relatively similar in administration to other paper-and-pencil attitude measures. Participants rated how well each of 144 trait adjectives, known to vary by breadth and valence, described a target object on a 9-point scale. The trait adjectives were selected such that the breadth of the trait and valence of the trait varied orthogonally.

The analyses performed for Study 1 and Study 2 were identical. First, correlational analyses were used to assess the relationship between the BART and explicit attitude and behavioral measures.

Then, logistic regression was used to analyze participants' purchasing choice in various consumer situations. A series of logistic regressions were performed to assess the separate effects of the BART, in addition to the predictive ability of the BART when controlling for explicit attitude.

In Study 1, attitudes toward the Philadelphia Inquirer, a prominent newspaper with wide readership in Philadelphia, Pennsylvania and its surrounding areas, were assessed. There was a significant relationship between the BART and participants' verbal reports of past Philadelphia Inquirer usage, and future newspaper choice. The Philadelphia Inquirer BART was a significant predictor of newspaper choice when entered separately into the logistic regression equation. When entered simultaneously with explicit attitude, the Philadelphia Inquirer BART continued to be a significant predictor of prospective newspaper choice. In Study 2, attitudes toward Ben and Jerry's ice cream, a popular ice cream manufacturer, were assessed. There was a significant relationship between the BART and participants' verbal reports of past Ben and Jerry's ice cream purchase and a marginally significant relationship between the BART and behavioral intentions. Although the Ben and Jerry's BART was not a significant predictor of prospective choice when entered simultaneously with explicit attitude, knowing a participant's BART score, in addition to their explicit attitude ratings, increased the precision of prediction of consumer choice.

Taken together, the results indicate that the BART could have utility in measuring consumer attitudes without having to directly ask participants their thoughts, feelings, and beliefs, especially in the fast moving consumer goods domain. In Study 1, and to a lesser extent in Study 2, the BART added to the specificity of prediction above and beyond explicit attitude. The BART is a flexible measure that can be used to measure a myriad of consumer attitudinal objects. It is straightforward to administer and it is uncomplicated in scoring and interpretation. Thus, it appears to be a viable alternative to projective techniques and a worthwhile addition to the current measurement techniques. Several consumer situations when the BART likely would predict future purchasing behavior are highlighted. The potentiality of this measure in the consumer domain is discussed as well.

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PSYCHOLOGICAL DISTANCE INFLUENCES CONSIDERATION SET COMPOSITION

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ABSTRACT

The composition of a consumer's consideration set influences the likelihood of choosing any particular option by determining each option's context and competition. Competition across marketer-defined categories is influenced by ad-hoc or goal-defined categories (e.g., Ratneshwar, Barsalou, Pechmann, & Moore, 2001; Ratneshwar, Pechmann, & Shocker, 1996; Ratneshwar & Shocker, 1991; Russell et al., 1999) as well as by macro-level goals to simplify or optimize; a goal to simplify (often the default goal) leads to homogeneous consideration sets, whereas a goal to optimize leads to heterogeneous consideration sets (Chakravarti & Janiszewski, 2003). In the present research, we examine how consideration set composition depends on psychological distance.

Great psychological distance (be it temporal, spatial, or social) leads consumers to represent objects and events in terms of their core attributes (such as desirability) rather than their surface attributes (such as feasibility); this is the basic proposition of construal level theory (Liberman & Trope, 1998; Trope & Liberman, 2003; Trope, Liberman, & Wakslak, 2007). Because of these different representations, options that share core features are judged to be more similar when considered for the distant future, whereas options that share surface features are judged to be more similar when considered for the near future (Day & Bartels, 2007). Combining these findings with those of Chakravarti and Janiszewski (2003), we hypothesize that consumers with the default goal to simplify consider options that are similar on surface features when choosing for the near future and options that are similar on core features when choosing for the distant future.

In study 1, we directly examine how consideration set composition along core and surface features varies with distance. In study 2 (underway), we expect to demonstrate that 1) informative brands act as core features whereas uninformative brands act as surface features and 2) price sensitivity is affected by the interaction of shared feature type (core or surface) with distance.

Study 1

Fifty-three undergraduate participants made choices for either the near future or the distant future and were instructed to either simplify or optimize their choices by forming four item consideration sets (see Chakravarti & Janiszewski, 2003, study 3 for the simplify and optimize instructions). Participants chose from 16 options in each of three domains; the 16 options in each domain were crosses of four levels of a core attribute (e.g., why you would use a product) with four levels of a surface attribute (e.g., how you would use a product). Our primary dependent variable was the homogeneity of participants' four-item consideration sets on core features relative to surface features. We measured this by taking from each participant's four-item set the number of pairs that shared core features and subtracting the number of pairs that shared surface features.

A 2 (goal: simplify, optimize) x 2 (distance: near, distant) between-subjects ANOVA on relative homogeneity revealed the hypothesized goal by distance interaction, $F(1,52) = 8.77, p < .005$. Participants given a goal to simplify who chose for the distant future considered options that were more similar on core features than on surface features, whereas those who chose for the near future considered options that were more similar on surface features than on core features, $F(1,49) = 10.02, p = .003$. Participants given a goal to optimize showed the reverse pattern, although it failed to reach significance, $F(1,49) = 1.09, p = .302$. These results replicate Chakravarti and Janiszewski's (2003) findings indicating that consumers with goals to simplify consider similar options and those with goals to optimize consider dissimilar options; the key new insight is that because the criteria for similarity judgments depend on psychological distance, consideration sets for the distant future and consideration sets for the near future are constructed according to different applications of the same basic principles.

Study 2

In a second study underway, we examine how brands may play the roles of either core or surface features, and, consequently, whether multiple alternatives from the same brand compete primarily with each other or with alternatives from other brands. Some brands may provide reasons to purchase that go above and beyond functional concerns and are instead based on strong imagery or symbolic meanings (Aaker, 1991; Broniarczyk & Alba, 1994; Fournier, 1998; Park, Jaworski, & MacInnis, 1986); these central brands are themselves core features. Other brands merely share packaging, logos, and other physical traits; these peripheral brands are themselves surface features. (Although it is manipulated at the brand level in study 2, brand centrality also varies naturally across consumers and within consumers across situations). Combining these brand characteristics with our findings from study 1 when participants had the default goal to simplify, intrabrand competition (number of same-brand products considered together) should be higher in the near future for peripheral brands and in the distant future for central brands.

In addition to considering strong and weak brands as important instances of core and surface features, we also consider the effects of psychological distance on price sensitivity. Price sensitivity is largely determined by perceived substitutability, which in turn depends on the degree to which options share relevant characteristics such as features, benefits, usages, etc. (Ratneshwar & Shocker, 1991). Since the focal characteristics vary with psychological distance, price sensitivity should be higher for options that share core features when considered for the distant future than when considered for the near future; similarly, it should be higher for options that share surface features when considered for the near future than when considered for the distant future). Notably, since brand may play the role of either a core or surface feature, brand type and temporal distance should interact to influence price sensitivity between items in same-brand pairs.

Conclusion

In study 1, we demonstrated that when consumers form consideration sets in order to simplify choice (typically the default motive for doing so), sets created for the near future are homogeneous on surface features and sets created for the distant future are homogeneous on core features. In study 2, we hope to show that brands can play the roles of surface or core features and that type of shared feature and temporal distance interact to influence price sensitivity. These effects of psychological distance on consideration set composition lead to important implications regarding how cannibalization and brand switching behaviors differ depending on the consumer's temporal perspective. Future research should

examine the nature of such effects and the extent to which these and related effects are observed in the field.

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AUTOMATIC VALENCE PRIMING INFLUENCES ATTRIBUTE FRAMING EFFECTS

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ABSTRACT

Inevitably, when we are faced with situations requiring us to make decisions, select words are used for presentation. Most research has dealt with decision tasks that present participants with risky-choice alternatives that contain specific words presented in the decision task, commonly referred to as the frame (Kahneman & Tversky, 1979). Research has shown that how decision problems are framed has a profound influence on the alternatives that people choose (see Kühberger, 1998 and Levin, Schneider & Gaeth, 1998 for reviews).

Prior research (Levin, Schneider & Gaeth, 1998) has identified three fundamentally different ways or “typologies” that researchers have used to manipulate the frame (risky-choice, goal and attribute framing). Most research investigating framing effects has focused on risky-choice framing. The current study is designed to focus on the processes involved in attribute framing.

Attribute framing involves manipulating the wording of objectively equivalent information. The task is designed so that the framing manipulations will either accentuate the positive aspects of the subject or the negative aspects. For example, Levin and Gaeth (1988) asked participants to evaluate ground beef that was labeled as either 75% lean or 25% fat. In their study they found that the ground beef was rated more positively when it was labeled as 75% lean as opposed to 25% fat. While the parameters of attribute framing were clearly defined by Levin, Schneider and Gaeth (1998), research has not examined the processes that may underlie this effect.

Subliminal priming. When a stimulus prime is presented subliminally, it can have profound influences on later judgments without the person’s conscious awareness. Further, activation of valence information (positive or negative) seems to precede other forms of information activation (e.g., Bargh, Chaiken, Govender, & Pratto, 1992). Therefore, without the person being consciously aware, subliminally presented stimuli can influence valenced reactions toward a stimulus (e.g., Chen & Bargh, 1999; McConnell & Leibold, 2001).

By automatically activating either positive or negative valences, the primed stimulus exerts its valence on an otherwise ambiguous target (e.g., Stapel & Koomen, 2005). Therefore, if the positive or negative valence of a task carries weight in the decision-making process, then one could predict that priming valenced words, either positive or negative, would influence how decision-makers evaluate otherwise ambiguous targets.

In the current study we attempted to investigate the mechanisms behind attribute framing. Specifically, we wanted to examine whether attribute framing effects are the result of positive and negative valences that are rendered by automatic processes or whether attribute framing involves processes that involve more conscious processing. If attribute framing effects are found to occur at very early stages of decision processing, then this yields insight into the processes underlying attribute framing. Specifically, if very early valence priming is found to influence decision choice then this

suggests a decision-making process that is predicated by automatic evaluative tendencies that act to shape later decision choice.

To examine this question, participants in our study were subliminally primed with either a positive or negative attribute frame and then presented with a “frameless” attribute decision task. We hypothesized that processing of the decision task would occur in light of the automatically primed valence and that this “primed valence” would then color the subsequent evaluation of the “valence neutral” framing task. Consequently, we predicted that when participants are presented subliminally with a valence prime, framing effects similar to those typically reported in the literature should be found.

The participants in our study were 100 Appalachian State University undergraduate students. The design of our study was a one-way factorial design with valence of primed stimulus (negative, positive) acting as our independent variable and participant’s evaluation of the decision task as our dependent variable.

Participants were seated at a computer and after pressing the space bar they were presented with the task introduction involving beef, this was identical to the task developed by Levin and Gaeth. Next, they were presented with a subliminal valence prime that was flashed in the center of the screen for 30 ms. The primes were either “fat” (negative frame) or “lean”(positive frame). These frames are concordant with the frames that are normally used in the attribute framing task developed by Levin and Gaeth (1988). The prime was followed directly afterward with a 50 ms mask (XXX). Following the prime, participants were asked to evaluate the beef on a 7-point scale ranging from “low quality” (1) to “high quality” (7). After completion of the study, all of our participants were provided with a funnel debriefing task.

To investigate our hypothesis we performed a one-way ANOVA on our data with subliminal prime valence (positive, negative) acting as our independent variable and participants evaluation scores serving as our dependent variable. The results of this analysis revealed a significant effect for valence of subliminal prime $F(1, 92) = 6.97, p < .01$. Consistent with prior research on attribute framing, when the positive frame (lean) was subliminally presented it was more persuasive ($M = 5.9$) than the subliminally presented negative frame (fat) ($M = 5$). These data indicate that the subliminal presentation of valence primes profoundly influenced participant’s evaluation in the decision task. Further analysis revealed that females evaluated the beef more favorably than males $F(1, 91) = 9.3, p < .01$.

These results reveal that subliminally presented primes (positive vs. negative) act to automatically activate valence priming and either intentionally or unintentionally influence individual decision making. This finding supports our hypothesis and provides new insight into the decision-making process, suggesting that this evaluative aspect of attribute framing functions without conscious awareness. Prior research has not examined how automatic processes may be contributing to the decision making process, thus, these results represent a step toward a better understanding of how the attribute framing process occurs.

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**VIDEO GAMES, PROCESSING FLUENCY AND CHILDREN:
EXPLORING PRODUCT PLACEMENT IN NEW MEDIA**

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ABSTRACT

This study explores product placement effectiveness in video games on children. Is there any unique advantage of video games over traditional media because of interactivity? Our results showed that interactivity might lead to conceptual fluency and therefore explain greater choice of the placed product in exposed players vs. non-exposed.

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THE ROLE OF SOCIAL IDENTITY AND INFORMATION IN EXPECTATION FORMATION AND BARGAINING FACILITATION

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ABSTRACT

With the globalization of business activities as well as the increasing mobility and diversity in the general population, it is increasingly common to find business transactions in settings that involve individuals from different countries, cultures and, in general, different social backgrounds. As the social milieu in which most exchange processes are embedded become increasingly complex, academics and practitioners seek to better understand how the social context and situational constraints influence business transactions (e.g., Adair, Okumura, & Brett, 2001; Chen, Mannix, & Okumura, 2003). Arguing that one of the most salient features that individuals are confronted with in an exchange process is their counterpart's social identity, this research investigates the role of social identity and information in influencing expectations of counterpart's behavior as well as outcomes of buyer-seller transactions.

Previous research suggests that social identity biases judgments and decisions. For example, in the context of conflict management, perceptions of common group identity have been shown to enhance the concern for the needs of the other party (Rubin, Pruitt, & Kim, 1994). In contrast, perception of a separate group identity seems to lead to inter-group bias and enhance perception of the zero-sum nature of conflicts (Sidanus, Van Laar, Levin, & Sinclair, 2004). In sum, individuals interpret and react differently to transactions based on whether the counterpart is perceived to be a member of their own social group or from another social group (e.g., Brewer & Kramer, 1986; Kramer, Pommerenke, & Newton, 1993).

Several aspects distinguish this research from the existing literature. First, while much of the previous research on social identity focuses on the salience and strength of an individual's *self* identity and how it leads to differences in expectation formation and decision making (e.g., Sidanius et al., 2004), this research examines the influence of the transacting counterpart's social identity. The distinction is important because although self-interest and own-payoff maximization is inherent in most exchange processes, recent research shows that individuals are also concerned with notions of distributive justice or fairness (e.g., Kahneman, Knetsch, & Thaler, 1986). In other words, individuals demonstrate "other-regarding" preferences such that they not only worry about their own expected payoff, but also about that of their counterpart (e.g., Loewenstein, Thompson, & Bazerman, 1989). The extent to which individuals exhibit these "other-regarding" preferences may depend upon whether their counterpart is perceived to be a member of one's own social group or from another social group (Brewer, 1979; Kramer, Pommerenke, & Newton, 1993).

Second, much of the existing research has focused on complete information situations where both parties in an exchange process have access to clear and objective referents (White & Neale, 1994). Readily available referents allow individuals to assess the fairness of potential transaction outcomes with relative ease. In contrast, many transactions are complex, characterized by uncertainty and information asymmetry (e.g., Pinkley, 1995; Srivastava, 2001). Facing uncertainty and information asymmetry, individuals may form different expectations about the mutual gains from trade as well as the

attractiveness of potential outcomes (White & Neale, 1994). Since most exchange processes are characterized by information asymmetry, this paper examines the influence of information in conjunction with social identity (cf. Kramer, Shah, & Woerner, 1995). The premise is that a counterpart's social identity may influence the outcome of buyer-seller transactions and may do so differently depending on whether there is complete or incomplete information. While the importance of social categories in the formation of norms under conditions of ambiguity is recognized (e.g., Fiske & Taylor, 1991), relatively little research examines the role of social identity in incomplete information situations. This paper thus not only adds to the few studies on the role of social identity in complete information situations but also extends the literature by examining how the counterpart's social identity affects expectations of distributive justice and, thereby, behavioral outcomes in incomplete information situations. Examining both complete and incomplete information situations allows us to explore the boundary conditions for the unfavorable bias towards out-group members, more commonly known as out-group derogation (e.g., Kramer, Shah, & Woerner, 1995).

Three experimental studies use ultimatum bargaining as the transaction context in which to study the role of social identity. In ultimatum bargaining, one agent (proposer) makes an offer to another agent (responder) that divides a specified sum of money between the two agents (Camerer & Thaler, 1995). The responder can then either accept or reject the offer. If the offer is accepted, the sum of money is divided as proposed and the game ends. If the offer is rejected, both agents receive nothing and the game ends. Ultimatum bargaining provides the appropriate context as it is not only a model for basic transactions but also represents a building block for more complex negotiated transactions (see Camerer & Thaler, 1995 for a review). Ultimatum bargaining has been extensively used in the literature to document behavioral regularities that were interpreted to imply that fairness considerations often override strategic considerations. Importantly, for the purposes of this research, ultimatum bargaining not only represents the end state of continuous bargaining but also the simplest form of a take-it-or-leave-it transaction, thereby offering a simple structure that allows isolation of the factors of interest.

Study 1 shows that, in complete information ultimatum bargaining, individuals react more strongly to unfair offers that come from out-group counterparts than in-group counterparts. In incomplete information bargaining, where there is uncertainty about the percentage of the total amount that the offer represents, out-group derogation is still prevalent when the offer is relatively high and could possibly be fair. However, study 2 finds that when the offer is relatively low, out-group derogation is reversed and individuals react more negatively to in-group counterparts who could possibly be taking undue advantage of the situation. Finally, study 3 supports that making the situational constraints salient moderates out-group derogation and eliminates differences between in-group and out-group counterparts. Together, the findings highlight the malleability of judgment and behavior to social cues that an integral part of many exchange processes. Knowledge of such influences should facilitate better management of the trade-offs between competitive and cooperative behavior in bargaining contexts.

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ASSESSING CONSUMER REACTION TO NEW PRODUCT IDEAS: DOES IT MATTER HOW OLD YOU ARE AND WHAT YOUR REGULATORY FOCUS IS?

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ABSTRACT

We build on prior work by studying how age and regulatory focus affect how people respond to information about new products. The underlying theme is that these variables affect the kind of information consumers use to understand a new product.

We categorize new product information in two different ways. First we 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. For example, a cereal bar manufacturer can list all the nutritional ingredients contained in the bar, or show that people feel energetic after eating the cereal bars.

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). Several possible explanations account for the increased attention to emotions with age. When younger consumers are placed under high cognitive load conditions, they rely more on affect than information to make choices (Shiv and Nowlis 2004). Age-associated reductions in working memory capacity may similarly increase reliance on emotional reactions (Hasher and Zacks 1988). Another compelling explanation is that being able to understand and integrate emotional information is an adaptive skill that improves with age (Labouvie-Vief 1998). As a result, older adults appear better able to acknowledge their emotions, solve emotionally charged problems, and endure the tension of mixed emotional experiences (Labouvie-Vief 1998). Finally, a third explanation is that perceived limitations of time lead to motivational shifts, which direct attention to emotionally meaningful goals (Carstensen, Fung, and Charles 2003; Williams and Drolet 2005). What has not been tested is whether older adults will actively seek out emotional vs. factual information. Based on previous research, we predict:

- H1: Older adults will prefer and search for more emotional information than younger adults.
- H2: Younger adults will prefer and search for more factual information than older adults.

Another way to categorize product information is by what it tells consumers about 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). That is, promotion-(prevention-) focused people are more likely to search for promotion (prevention) information.

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. For example, in a health context younger adults have a strong promotion orientation, while older adults had a health related prevention orientation (Lockwood, Chasteen and Wong 2005). This orientation affected how adults of different ages responded to positive and negative role models. Therefore, we hypothesize that:

H3: Older adults will prefer and search for more prevention information than younger adults.

H4: Younger adults will prefer and search for more promotion information than older adults.

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. Such categorization not only extends existing research but also provides a reasonable range of positioning alternatives for a variety of companies.

According to the hypotheses above, we predict that older adults would prefer and search for emotional prevention information and younger adults would prefer and search for factual promotion information. However, there is ambiguity about how each age group will relate 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). This leads to our next hypothesis:

H5: In the US, consumers will prefer and search for more emotional promotion information than factual prevention information, regardless of age.

Research Design

We report preliminary results from on a 2 (age group: younger vs. older) \times 2 (regulatory focus: promotion vs. prevention) \times 2 (information content: factual vs. emotional) \times 2 (information orientation: promotion vs. prevention) mixed factorial design experiment. We measure regulatory focus at the individual level using the regulatory focus questionnaire (Higgins et al., 2001).

In the study (N = 184), respondents who were older than or equal to 30 years of age were considered older and those under 30 were considered younger. Participants selected information for different products (toothpaste, a new type of multi-function cell-phone, and a new form of mutual fund). For each product, respondents selected factual or emotional information on three prevention and three promotion dimensions. The dependent variables were the content and orientation of information selected, the time spent reviewing each type of information and participants' attitude toward the

innovative products. We analyzed the data using ANOVA with age and chronic regulatory focus as between-subject factors and information content and orientation as within-subject factors. We did an arc sign transformation on the proportion data.

Results and Conclusion

We find that older adults are more likely to use information that is compatible with their chronic regulatory focus than younger adults. We also find that older adults more actively seek out and spend more time on factual information than younger people, and that knowledgeable participants prefer and search for more factual information than emotional information. When information content and information orientation are competing, we find that the information content dominates the compatibility between consumers' cultural orientation and information orientation and hence reduces the impact of information orientation (promotion vs. prevention). This research suggests that age and chronic regulatory focus can affect the type of information that consumers examine when searching for information about new products. Advertisers can use this information to better design marketing communications such as advertising, owner manuals, and product designs including feature characteristics.

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REGULATORY FOCUS AND MESSAGE FRAMING: A TEST OF THREE ACCOUNTS

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ABSTRACT

According to research on message framing, messages that are factually equivalent often lead to differences in persuasion. Most previous research on message framing has compared equivalent message frames that differ only in overall valence, that is, positive frames versus negative frames (for reviews, see Levin, Schneider, & Gaeth, 1998; O'Keefe and Jensen, 2006). A positive frame emphasizes the possibility of reaching favorable future states as a result of compliance, whereas a negative frame highlights the possibility of suffering unfavorable future states as a result of non-compliance.

Few previous researchers have paid close attention to the possibility that factually equivalent messages may not only differ in overall valence, but also in the outcome focus or the anchor used in the message. Specifically, persuasive messages can be categorized into four types depending on overall valence and outcome focus (i.e., anchor). Specifically, a positively valenced frame may emphasize either the presence of gain (i.e. P/G) or the absence of loss (i.e., A/L), both of which occur due to engaging in a certain action. Similarly, a negatively valenced frame may emphasize either the absence of gain (i.e., A/G) or the presence of loss (i.e., P/L), both of which occur due to not engaging in the action.

Since the results of previous message framing studies have not yielded generalizable findings, various moderator variables have been considered. One of the most important moderators is regulatory focus (Higgins, 1998; see also Lee & Aaker, 2004; Cesario, Grant, & Higgins, 2004; Spiegel, Grant-Pillow, & Higgins, 2004). Unfortunately, prior arguments and findings about the moderating influence of regulatory focus have not been very consistent. In this paper, we will discuss the different approaches that have been forwarded and report an empirical study designed to test the opposing hypotheses.

A review of the regulatory focus theory and message framing literatures shows that there are at least three ways in which regulatory focus may be related to message framing. First, regulatory focus theory postulates that strong promotion focus increases a person's sensitivity to the presence or absence of positive outcomes (i.e., gains), whereas prevention focus increases a person's sensitivity to the presence or absence of negative outcomes (i.e., losses) (Higgins, 1998). This prediction implies that persuasion should be enhanced when there is a fit between a person's regulatory focus and the end-state on which the frame is anchored. Specifically, when promotion focus is either chronically predominant or situationally salient, message frames that are anchored by a gain end-state (i.e., P/G or A/G) should be more persuasive than frames that are anchored by a loss end-state (i.e., P/L or A/L). The opposite should be true when prevention focus is strong.

Second, the findings of several previous studies suggest that the "fit" between regulatory focus and the overall valence of a frame increases persuasion. For example, Cesario et al. (2004) compared frames that differed in valence (e.g., "if you (do not) eat the right amount of fruits and vegetables, you

can (cannot) actively... obtain overall good health.”) and showed that a positively valenced frame was more persuasive when promotion focus was salient, whereas a negatively valenced frame was more persuasive when prevention focus was salient.

Lastly, regulatory focus theory points to another important dimension along which persuasive messages can vary. Since promotion focus involves self-regulation in relation to ideal self-guides, it increases a person’s concern with achievement. In contrast, since prevention focus involves self-regulation in relation to ought self-guides, it increases a person’s concern with security (Higgins, 1998). This tenet of regulatory focus theory suggests that messages dealing with achievement-related issues (e.g., getting energy and avoiding energy depletion) as the end-state are likely to be more persuasive when promotion focus is salient. In contrast, messages dealing with security-related issues (e.g., attaining safety and forestalling disease) should be more persuasive when prevention focus is salient.

The primary purpose of this paper is to investigate all three accounts simultaneously by using messages that are maximally similar except for variation in overall valence, outcome focus, and type of benefit or harm emphasized. We also use a within-subjects design to test the hypotheses because it reduces error variance associated with individual differences and offers greater statistical power than a between-subjects design.

Another purpose of this research concerns the measurement of chronic regulatory focus. Even though there are various ways in which regulatory focus has been assessed, no previous study has investigated how the different measurement approaches are related. We compare three scales that have been used: Higgins et al.’s (2001) Regulatory Focus Questionnaire (RFQ), Lockwood, Jordan, and Kunda’s (2002) scale of regulatory focus, and Carver and White’s (1994) BIS/BAS scale. We will explore how the three scales are related to each other and how the effectiveness of a frame is moderated by the way regulatory focus is measured.

A controlled laboratory experiment was conducted to test the hypotheses. We used a 2 (overall valence: positive vs. negative) by 2 (outcome focus: gain vs. loss anchor) by 2 (type of benefit or harm emphasized: achievement vs. security) within-subjects factorial design. The focal issue emphasized in the persuasive message was eating fruits and vegetables regularly. The achievement-related benefit was obtaining greater performance (avoiding low performance) on challenging mental tasks, and the security-related benefit was facilitating proper functioning (avoiding malfunctions) of the immune system.

One hundred and twenty undergraduate students participated in the study in exchange for partial course credit. Each participant was randomly assigned to one of several different combinations of order of presentation. Participants rated the persuasiveness of each message using an 11-point scale (with 0 “not at all persuasive” and 10 “extremely persuasive”). Participants’ chronic regulatory focus was assessed by the aforementioned three scales.

We found that the gain-anchored messages were more persuasive than the loss-anchored messages when the message emphasized an achievement-related benefit, and that the opposite was true when a security-related benefit was emphasized. When regulatory focus scales were introduced as moderators, the results were most consistent with the account that posited that persuasion is enhanced by a fit between regulatory focus and overall valence of the message.

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EFFECT OF FATIGUE ON CONSUMERS' ADVERTISING PROCESSING

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ABSTRACT

Huge advertising budgets are invested by firms to reach and convince potential consumers to buy their products. To optimize these investments, it is fundamental not only to ensure that appropriate consumers will be reached, but also that they will be in appropriate reception conditions. Marketing research has focused on the way consumers react to advertising, as well as on some individual and contextual factors that could mediate or moderate the ad impact on consumers (e.g. motivation and ability to process information or attitudes toward advertising). Nevertheless, a factor that potentially influences consumers' advertising reactions has not yet been studied in marketing research: fatigue. Fatigue can yet impact key variables of advertising processing, such as cognitive resources availability (Lieury 2004).

Fatigue is felt when the body warns to stop an activity (or inactivity) to have some rest, allowing the individual to compensate for fatigue effects. Dittner et al. (2004) defines it as "the state of weariness following a period of exertion, mental or physical, characterized by a decreased capacity for work and reduced efficiency to respond to stimuli." It signals that resources will lack if we continue with the ongoing activity. According to Schmidtke (1969), fatigue leads to troubles in information reception, in perception, in coordination, in attention getting, in concentration and in thinking. In addition, for Markle (1984) fatigue generates a decrease in memory, and in communication ability, whereas it increases time reaction, and number of errors. Thus, fatigue may have large effects on advertising processing. We suggest that fatigue determines the level of available resources.

Some research about consumer responses to advertising claim that complexity is a fundamental element to take into consideration. Complexity determines the cognitive efforts the consumer must provide to understand the message (Putrevu et al. 2004). Thus, we suggest that complexity determines the level of required resources.

To study this complex question about need and provision of cognitive resources, we draw upon Resource Matching Theory. Anand and Sternthal (1989, 1990) are the first to state the Resource Matching principle, saying that an ad is most persuasive when the resources required to process it match the resources the viewer is willing and able to provide. They show that when the required resources exceed those available, the message is not entirely processed by the consumer. And when there are too many available resources comparing to those required, the viewer elaborates critical or unrelated thoughts.

According to the Resource Matching theory, the level of resource demanded by an ad can be high or low, and is mostly determined by the ad's layout (Peracchio and Myers-Levy, 1997). We manipulate the level of required resources using three levels of ad complexity (low – high – extremely high). On the other side, the resource availability of an ad viewer is determined by lots of contextual and individual variables. We manipulate the level of available resources using two levels of fatigue (low – high). Tired viewers want to limit the processing effort to minimal resource requirements by making

heuristics, forming overall impression at first glance. It will be easier for them to decode the message when ads are very simple. On the contrary, the most effective ads for viewers who are not tired are complex enough to draw their attention and fully use their resources. They will use more analytical strategies, looking at the details of the ad. However, if ads are too complex, they will be too difficult to understand. The viewer will be discouraged to process information and will overlook the ad.

The objective of our research is to study fatigue as a moderating variable of advertising information processing. We run two experimental studies to assess the effect of fatigue on visual strategies, comprehension, persuasion and memorization. In study 1, thirty-five undergraduate students enrolled in a marketing research course participated in the experiment. The experimental design is 2 (tiredness level: between subjects) x 3 (ad complexity level: within subjects). Participants were randomly assigned a schedule time (morning: 8-10 am or evening: 10-12 pm) to perform the experiment. We chose to test subjects at various moments of the day to obtain maximum variance in their fatigue level. We use Morningness / Eveningness tendency of participants (Horne & Ostberg, 1976) as a control variable. We assess fatigue level using subjective measures - questionnaire with fatigue scales - and objective measures - reaction time and number of errors.

Regarding complexity levels, we have designed our own ads in order to keep aspects other than complexity equal. We ran a pretest using the Resource Demands scale (Keller and Bloch 1997) and by rating them on complexity like Morrison and Dainoff (1972) to check for our complexity manipulation. We found three significantly different levels.

After having completed the fatigue scales, participants are asked to view the ads on a screen, while their eye movements are recorded by the eye-tracker. Eye-tracking allows us to find out patterns of visual attention (Pieters and Warlop 1999). We are then able to infer specific respondents' visual strategies according to their level of fatigue. Comprehension is assessed with a comprehension test. We collect measures of attitude change for persuasion and measures of recall and recognition at various points of time for memorization.

Once the effect of fatigue will be determined across the student population, it is interesting to account for individual differences in fatigue severity and perception. Therefore, we run study 2, which is similar to the previous one except for the design: time of day is now within-subjects and complexity becomes between-subjects.

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BRAND ALLIANCES: WHEN DO CONSUMERS (NOT) FIT?

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ABSTRACT

During the mega-merger boom of the late 1980s and early 1990s, joint branding began to proliferate in the marketplace. Consumers have become used to seeing ingredient branding (NutraSweet in Diet Coke, Intel Inside Compaq computers), co-branding (Frito-Lay chips with KC Masterpiece barbecue sauce), and other forms of branding alliances. Despite this abundance, empirical research on how consumers perceive these co-brands is still in its infancy, and what determines a successful brand alliance is still unclear.

In answering what makes an effective brand alliance, researchers have looked to the prior brand extension literature. In this way, many similar factors reappear—specifically the question of fit: do these two brands fit in the same way that a parent brand fits with an extension's category? Because the most prevalent comparison in brand alliances is one brand with another, often the idea of fit is conceptualized as complementary product attributes, functions or uses (Park et al. 1996; Samu et al. 1999; Venkatesh and Mahajan 1997). Complementarity can be defined as the requirement of one product for the use or operation of the second product (Samu et al. 1999). And, like the brand extension literature, the degree of complementarity is related to the ability of activation to spread from one product to the other. The point of difference is that with brand alliances researchers examine the transfer of affect from two branded products to a new concept.

The purpose of the current research is to demonstrate the need for a wider view when considering the role of fit in brand alliances. Specifically, this research suggests that there are three connections that need to be high in fit for a brand alliance to have the highest probability of success (measured as positive attitudes, purchase intention and choice). These three connections are the link between the two brands, which is the link commonly examined in brand alliance research, and the two links between each parent brand and the consumer. By including the consumer in our conceptualization of fit, researchers on brand alliances will better understand the structure driving attitude transfer and, ultimately, adoption.

In the attitude literature, there is an associated stream of literature regarding consumers' social identity-based attitudes (Cohen and Reed 2006; Reed 2004). Brands that are strongly connected to a consumer's identity allow people to express themselves, and have been shown to be more resistant to counterpersuasion tactics than less identity-relevant brands (Bolton and Reed 2004). These papers suggest that incorporating the fit (conceptualized as identity relevance) between each of the two parent brands and the consumer will enhance our understanding of successful brand alliances.

This paper incorporates the theoretical approaches of both the brand extension and social identity-based attitude literatures to test whether higher fit between a consumer and the two parent brands may enhance attitudes toward the brand alliance. A series of two experiments and one field study test the hypothesis that, despite high inter-brand fit, low fit between consumer and either parent brand will result in lower attitudes toward the brand alliance. Fit is manipulated both through priming participants with either high-fit or low-fit identities, or by manipulating one of the brands involved in the

brand alliance effort. All other aspects of the stimuli are the same between conditions. Participants were exposed to an advertisement, and then subsequently asked for their evaluations of the brand alliance.

The experiments afford reliable evidence for the importance of incorporating fit between the consumer and parent brands in evaluating the structure of brand alliances, suggesting that successful efforts require not only high inter-brand fit, but also a strong brand-consumer connection. In experiment 1, when consumers were primed with an identity that did not fit with one of the two parent brands, participants evaluated the brand alliance as less positive—while still rating the brand alliance as high in inter-brand fit. In experiment 2, these results were replicated with different parent brands, demonstrating that these results hold across product categories. In the field study, participants who strongly hold a specific identity (runner) were recruited at a specialty shop, immediately after engaging in a group run. These participants not only self-identify as runners, but that identity was salient at the time of survey administration. A two-group test was done comparing their reactions to a brand alliance involving a popular brand of running shoe (Asics) versus a brand perceived to be “not what serious runners wear” (Nike, quote from a participant); all other aspects of the brand alliance were held constant. In the field study, participants also indicated lower preference for and attitudes toward the brand alliance involving the brand (Nike) which was lower in fit with the consumers’ identity. Future research should investigate situations when the fit between consumers and each parent brand is high, while inter-brand fit is low. It may be possible for consumer-brand fit to overcome the low congruence between the two brands, but this remains to be seen.

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GROUP INFLUENCES IN THE ETHER – NEIGHBORHOOD EFFECTS IN ATTITUDES AND PREFERENCES

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ABSTRACT

We examine the influence of neighborhood effects on attitudes and preferences. Specifically, does exposure to the attitudes of others in a group influence one's own attitudes and preferences? The primary goal of the present research was to explore how individual attitudes are shaped by neighborhood effects - that is, people living in close proximity could influence each others attitudes and preferences. By neighborhood effects, we refer to interdependencies between individual attitudes and the attitudes of others in a group. Said differently, exposure to others' attitudes and preferences influences one's own attitudes and preferences. Specifically, we suggest that there are (a) *direct influences* (e.g., a neighbor provides information and/or opinions about some issue or product) as well as (b) *indirect influences* (where no direct information needs to be exchanged).

The notion of direct influences is suggested by the effects such as the *group polarization* phenomenon (Moscovici and Zavalloni, 1969) and the *chameleon effect* (Chartrand and Bargh, 1999). A sizeable body of social psychology literature has demonstrated that an individual's attitude toward a given issue tends to polarize during a group discussion with other people who hold a similar opinion on that issue (Myers, 1978; Myers and Lamm, 1976). We base the hypothesis regarding the indirect influence from recent work in social psychology (Ambady and Rosenthal, 1992; Ambady et al., 1999) which suggests that there are domains where people are remarkably accurate at gleaning information from very little information.

We show that neighborhood effects do emerge for issues where one is exposed to group attitudes. More intriguingly, neighborhood effects also emerge for issues where one was never exposed to group attitudes. We suggest that this is due to the fact that exposure to some group attitudes allows individuals to make shrewd guesses about group attitudes on other issues that were never discussed. Further, these guesses bias one's own attitudes.

We present evidence for one mechanism through which neighborhood effects emerge, namely that exposure to the preferences of others (which is more likely when individuals are in close contact) influences one's own preferences. Thus, Bill telling Bob about his attitude towards Scott's lawn feed changes Bob's attitude towards Scott's. More startlingly, we show that it does not require exposure to the attitude towards the target object. Neighborhood effects emerge even for non-discussed target objects. Exposure to attitudes towards some objects appears sufficient to allow individuals to make fairly shrewd guesses about attitudes towards other objects, which in turn influence their own attitudes. That is, Bill telling Bob about his attitude towards Scott's lawn feed changes not only Bob's attitude towards Scott's lawn feed, but also Bob's attitudes towards other issues such that Bob's and Bill's attitudes converge even on non-discussed issues (such as Scott's lawn mowers).

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DISENTANGLE CONTEXTUAL AND PERMANENT INDIVIDUAL MOTIVATIONS: AN APPLICATION TO SHOPPING BEHAVIOR

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ABSTRACT

Past studies resulted in conflicting definitions of consumer motivation. On the one hand, motivations are seen as the consumer's characteristics that shape her general behavior (motivational trait). On the other hand, they are seen as contextual variables representing the reason why the individual is behaving specific to today's context (motivational state). The objective of this research is to stress the difference between these two concepts and to understand the impact of each on consumer behavior. We applied our empirical study to shopping motivations; our results show a strong interaction between motivational trait and motivational state.

Problem and Hypothesis

On the one hand, Westbrook and Black (1985) consider shopping motivations as individual permanent characteristics. This concept is shared by other researchers (Rohm and Swaminathan 2004), which show that some shoppers are functional (they shop for convenience, information seeking, and time saving) while some others are hedonic (they shop for social interaction, bargain hunting and browsing). On the other hand, Kaltcheva and Weitz (2006) define motivations as a contextual orientation changing over time, depending on the situation, and show that contextual shopping motivations have a strong impact on shopping behavior. From our knowledge, no research specifically examined the respective impact of both these shopping motivation types.

To deal with this issue, we used the notions of "traits" and "states" that have been largely used in marketing research to designate respectively a permanent characteristic of the individual and a temporary orientation of the consumer (Mowen 2000). The reversal theory (Apter 2001) suggests that two opposite states exist: the telic and the paratelic states. In the telic state, individuals set goals for themselves, must be disciplined to reach these goals, and do not behave in accordance with their personal trait. In the paratelic state, individuals are seeking arousal and enjoyment, do not set rules, and one could postulate that they act in accordance with their natural tendencies.

Based on these considerations, we hypothesize the following process: in situations involving paratelic states, hedonic as well as functional individuals should behave according to their natural traits, whereas in situations involving telic states, hedonic people should inhibit their natural propensity to enjoy shopping and behave similarly to functional people. Hence, we postulate the following:

Hypothesis: Compared to shoppers with functional motivational trait, shoppers with hedonic motivational trait will a) significantly display more hedonic shopping behavior intentions in a condition of paratelic motivational state, and b) not display more hedonic shopping behavior intentions in a condition a telic motivational state

Empirical Research

First, 108 participants were asked to fill a multi-items scale about their shopping habits, which actually measured their shopping motivational traits. This questionnaire allowed us to highlight four different dimensions in shopping motivational traits: social interaction, novelty/utility seeking, bargain hunting, and browsing. According to their scores on different items, participants were classified as functional or as hedonic on each of these four dimensions (a single individual may be hedonic on some dimensions and functional on others). Then, participants were then induced to adopt either a telic or a paratelic shopping motivational state while reading an appropriate scenario. Finally, participants were asked for their shopping behavior intentions in response to the shopping context. Four items were developed, corresponding to the four shopping motivational trait dimensions we found with our factor analysis.

Results

As we found four dimensions in shopping motivational trait, we set up four quasi-experimental designs to capture the entire phenomenon: for each dimension, a 2 (motivational trait) x 2 (motivational state) design was built, where the dependant variable was the shopping behavior element corresponding to the studied dimension. Four 2 x 2 Anovas were performed to assess the interaction between motivational trait and motivational state. Concerning the three dimensions - browsing, novelty/utility seeking, and bargain hunting- , in the paratelic state scenario participants with hedonic motivational trait displayed significantly more hedonic shopping behavior intentions than participants with a functional motivational trait (resp. $F = 9.701$, $p = .003$; $F = 4.979$, $p = .03$; $F = 5.757$, $p = .02$); and in the telic state scenario, there was no significant difference in behavior intentions between participants with hedonic or functional motivation trait. Each time, the interaction effect between motivational state and motivational trait was significant (resp. $F = 4.859$, $p = .03$; $F = 3.314$, $p = .07$; $F = 2.98$, $p = .08$). Concerning the fourth dimension, social interaction, shopping behavior intentions of participants with hedonic and with functional motivational traits were significantly different in the paratelic state scenario ($F = 29.898$, $p < .000$) as well as in the telic state scenario ($F = 9.559$, $p = .003$). However, the interaction effect showed that this behavioral difference was significantly-stronger in the paratelic scenario. All these results support our research hypothesis.

Discussion and Implications

Our study provides consistent support for our hypotheses saying that there is an interaction effect between shopping motivational states and shopping motivational traits. The generalization of the results is strengthened by the study of four different shopping traits: social interaction, novelty/utility seeking, bargain hunting and browsing. As we proposed, when shopping in a goal-oriented state (telic state), behaviors of hedonic and functional shoppers do not differ significantly. Conversely, when shopping for a recreational reason (paratelic state), hedonic and functional shoppers behave significantly different.

These results could explain why some previous studies concluded that shopping motivational traits had no impact on shopping behavior: they did not take into consideration the interaction between motivational trait and motivational state. Moreover, our study shows that marketing surveys performed by store managers to draw the personal profile of their customers must be crossed with contextual motivations in order to accurately forecast shopper behavior.

Future Developments

Our results can be explained by the self-control process, which pushes hedonic-trait shoppers to behave in a rather functional way in utilitarian situations. However, to be certain that this is the very process that occurs, we plan to add self-control perception scales to our existing measures. This is obviously the next step of this research.

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SELF-CONCEPT PERCEPTION FOLLOWING SUBLIMINAL EXPOSURE TO BRAND PERSONALITIES

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ABSTRACT

The present research examined consumer self-perception and the cognitive accessibility of consumer's trait information following subliminal exposure to brands. That is, can exposure to brands affect consumers' self-concepts? Social cognitive research suggests that activating trait concepts affects subsequent social perceptions (Higgins, Bargh, & Lombardi, 1985; Higgins, Rholes, & Jones, 1977) and self-perceptions (Vallacher, Read, & Nowak, 2002). Furthermore, research has shown that social perception can be influenced by trait concepts that have been activated either explicitly (Fazio, Effrein, & Falender, 1981; Higgins et al., 1977) or implicitly (Bargh & Pietromonaco, 1982). It is arguable that similar processes occur when a brand personality, rather than specific trait, is primed.

The present studies assume that brands are a potential source of trait information because brands can be viewed as possessing characteristics that are parallel to human personality dimensions (Aaker, 1997). According to Aaker's findings, brand personality can be conceptualized on five dimensions, including Competence, Excitement, Ruggedness, Sincerity, and Sophistication. If brands provide trait information, do consumers use it in self-perception? One line of research that supports this possibility showed that following overt interactions with products possessing one brand personality, individuals rated themselves higher on related personality dimensions (Fennis, Pryun, & Maasland, 2005). The goal of the present research was to determine if analogous processes occur when brand personality information is presented subliminally rather than explicitly. We hypothesized that implicitly activating trait concepts by priming brands would increase (a) the cognitive accessibility of the trait concepts and (b) the tendency to describe one's self as possessing the trait.

To test this hypothesis, two studies were conducted. In Study 1, first, participants were subliminally primed with either 5 Sincere brand names (Betty Crocker[®], Hallmark[®], Kodak[®], Pampers[®], and Quaker Oats[®]), 5 Rugged brand names (Harley[®], Jeep[®], Levi's[®], Marlboro[®], and NorthFace[®]), or 5 control words during a visual vigilance task. Importantly, participants were unable to report on content of the primes during debriefing. Following priming, participants completed a Me/Not Me self-descriptive task (Markus, 1977). During this task, 5 sincere ("sincere," "genuine," "honest," "authentic," and "wholesome") and 5 rugged trait words ("rugged," "outdoorsy," "tough," "rough," and "western"), as well as neutral trait words, were presented in random order. Participants pressed a key marked "Me" if they believed the word presented described them or a key marked "Not Me" if the word did not describe them. Participants' response latencies were recorded for each trial. The mean reaction times to the 5 sincere and 5 rugged descriptors served as the *sincere activation* and *rugged activation* measures, respectively. The sum of the number of times participants responded "Me" to the 5 sincere and 5 rugged descriptors were used as the *sincere self-description* and *rugged self-description* measures, respectively.

The results of Study 1 indicated that, as predicted, those in the Sincere condition had greater *sincere activation* (i.e. responded with quicker reaction times) than those in the control [$t(71)=2.00$,

$p=.05$] and Rugged [$t(71)=2.24, p=.03$] conditions. Participants in the Sincere condition also had significantly higher *sincere self-description* scores than those in the control condition [$t(71)=2.17, p=.03$] and marginally higher than those in the Rugged condition [$t(71)=1.77, p=.08$]. No significant differences resulted between conditions on the *rugged activation* or *rugged self-description* measures, all $t_s < .952$.

Study 2 differed from Study 1 in two ways. First, participants were primed with brand *logos* instead of brand *names* and, second, participants completed a measure of dispositional materialism. These changes were made to provide more easily identifiable brand information during priming and to determine whether more acquaintance with brand personality (i.e., high materialism) would moderate the effect of prime. As in Study 1, it was expected, overall, that priming brand personalities would increase the cognitive accessibility of and endorsement of similar personality traits, but that this effect would be moderated by dispositional materialism such that high materialists' accessibility and self-description would be greater following brand personality priming than low materialists'.

In Study 2, first, participants completed the Belk (1984) Materialism Scale. The protocol for the remainder of the procedure remained the same as in Study 1, but with some subtle content changes. First, participants were primed with either: the logos of 5 Sincere brands (Campbell's[®], Disney[®], Hallmark[®], Palmolive[®], and Whirlpool[®]), the logos of 5 Rugged brands (Harley[®], Jeep[®], Levi's[®], Marlboro[®], and Patagonia[®]), or 5 neutral images. In the dependent Me/Not Me task, the rugged descriptor "western" was replaced with "unpolished." To ensure the effects of the primes were subliminal, participants who reported seeing specific logos were removed before the analyses were conducted.

To test the hypotheses of Study 2, hierarchical regression analyses regressing condition, dispositional materialism score, and their interaction (i.e. cross product) on each of the 4 dependent measures were conducted. The results for *sincere activation* revealed that, as in Study 1, those in the Sincere condition responded more quickly to sincere descriptors than those in the control condition, $\beta=4.67, p=.001$. Higher materialism scores were also associated with greater sincere activation, $\beta=.46, p=.002$. Furthermore, the condition x materialism interaction was significant ($\beta=4.46, p=.001$), such that participants low in materialism experienced more sincere activation in the Sincere condition (in comparison with those in the control condition). The results for *rugged activation* indicated that those in the Rugged condition responded to rugged descriptors marginally more quickly than those in the control condition, $\beta=2.08, p=.08$. Materialism was not a predictor of rugged activation overall ($\beta=.28, ns$), but marginally moderated the effect of condition on rugged activation, $\beta=2.14, p=.07$. The analyses revealed no significant predictors of *sincere self-description* and *rugged self-description* measures, all $\beta_s < .08$.

These preliminary results suggest that self-perception can be influenced by subliminal exposure to brand personalities. The studies provide initial evidence of increased accessibility of personality concepts following related brand personality priming, but mixed support for increased self-descriptive endorsement of related traits. In Study 2, results indicated that dispositional materialism moderates these effects. Contrary to predictions, low materialists were more susceptible to priming effects than high materialists. Possible explanations for this result are discussed along with the implications and limitations of the main findings.

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THE ROLE OF SELF-FOCUSED ATTENTION IN CONSUMER INFORMATION PROCESSING

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ABSTRACT

Although consumers' evaluations of a product are obviously based in part on the favorableness of their attributes, at least two other factors can come into play. First, consumers may base their evaluations of a product on their positive or negative affective reactions to it. Second, they might imagine using the product in a particular situation and base their judgments on the desirability of doing so. Note that both effects depend on people's use of their subjective reactions as a basis for judgment. A contingency in the effects, therefore, may be the extent to which individuals are likely to consult these reactions for use as a basis for judgment rather than relying on more objective criteria. The present research examined this possibility.

Theoretical Background

Affect as information. People's tendency to use the affect they are experiencing and attribute to an object as a basis for judging this object is well established (Schwarz & Clore 1996). In the product domain, however, there are two qualifications. First, people are only likely to base their judgments of a product on their feelings if the product is normally based on hedonic criteria rather than utilitarian considerations (Pham 1998; Yeung & Wyer 2005). Second, the affect consumers are experiencing may influence their judgments only if these feelings are salient to them at the time and, therefore are a prominent source of information.

Contextual influences on product judgments. Consumers who are called upon to evaluate a product may often imagine themselves using the product in a particular situation and base their judgments on the feeling they anticipate to result from doing so. To this extent, their evaluation may depend in part on the particular situation they happen to consider, and this, in turn, may be influenced by features of the situational context in which the evaluation is made. For example, people who are asked to evaluate products while listening to music may imagine themselves using the products in a situation similar to that in which this music is often encountered, and may base their judgments on their feelings about doing so.

Effects of self-awareness. Note that people's use of the affective reactions as an informational basis for judgments, and the thoughts and feelings that result from imagining the use of the product in a given situational context, both require consultation of their subjective emotional or cognitive responses. To this extent, it may depend on their general sensitivity to these responses. This sensitivity may be influenced by their self-awareness, or the attention they pay to themselves as an object (Duval & Wicklund 1973). According to Scheier and Carver (1977), increasing people's consciousness of their internal feelings should increase their use of their feelings as a basis for judgment. In the present context, this could have two effects. First, if products spontaneously elicit positive or negative affect, self-awareness may increase the tendency to use this affect as a basis for evaluating these products. Second, self-awareness may increase the tendency to imagine oneself using the product in a particular

situation and to base evaluations of the product on the desirability of doing so. Thus, if listening to music activates thoughts and feelings about a situation in which this type of music is normally played, self-awareness might increase evaluations of products that are typically used in this situation. Evaluations of products that are *not* typically used in that particular situation, however, should not be influenced by people's self-awareness. Two experiments investigated these possibilities.

Method

In experiment 1, participants were asked to evaluate a series of products under conditions in which their self-awareness was experimentally manipulated by placing participants in front of a mirror (for evidence of the effectiveness of this procedure, see Duval and Wicklund 1971). Participants were randomly assigned to six conditions of a 2 (high vs. low self-awareness) x 3 (music type: social vs. relaxing vs. none) design. The products they judged varied systematically in terms of the criteria used to evaluate them (hedonic vs. utilitarian) and the context in which they were used (social vs. non-social).

In the music conditions, participants were told that the purpose of the study was to investigate how students do two things at once. They listened to either social or relaxing music while reading a simple passage. After listening to music for 3 minutes, they were asked to perform an ostensibly unrelated product evaluation task. On this pretense, they evaluated 14 products that pretested to vary in terms of the criteria normally used to judge them (hedonic vs. utilitarian) and the situational context in which they were typically used (social vs. nonsocial). After making these evaluations, participants reported their reactions to the music.

Experiment 2 was similar except for the products that participants evaluated, which included several that were specifically associated with a relaxing environment.

Results

The results of both experiments confirmed our predictions. Participants reported being more likely to report imagining themselves using the products when they participated in front of a mirror (high self-awareness conditions). Furthermore, participants in both studies evaluated hedonic products more favorably in the presence of a mirror than in its absence, whereas their judgments of utilitarian products were unaffected. When social music was played, self-awareness increased evaluations of product that were normally used in a social environment, and when relaxing music was played, it increased evaluations of products that were normally used in a relaxing environment. Evaluations of other products were unaffected by either music or self-awareness.

In combination, the results increased insight into the conditions in which consumers are likely to use their affective reactions as bases for product evaluations, the impact of situational context on these evaluations, and the different ways that self-awareness can exert an influence on consumer judgments.

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ENDORSEMENT OF PROMOTIONAL GAMES BY THE PREVIOUS WINNERS AND THE INTER-PERSONAL HOT HAND FALLACY

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ABSTRACT

Practitioners have accumulated significant experience on the design of advertising for promotional games to maximize the participation rate. Their trials and errors have led to deeply-rooted lay theories regarding best practices. One of these is the featuring of the previous winner of the last drawing with few personal details, even if the two consecutive editions of the game are completely independent from each other. The underlying commonly-held idea is that this “endorsement” spurs the participation decision of new potential players.

Many alternative explanations may be advanced to account for this effect: for example, the focus on the previous winner may be a source of inference about the prize and game benefits or it may influence the perceived probability to win despite the independence between the two drawings.

This research tries to bring more insights on this phenomenon by disentangling these various mechanisms. It focuses more specifically on the impact of the perceived similarity with the previous winner as a moderating variable of the effect of the previous winner endorsement on entry likelihood.

In a preliminary study, we manipulated perceived similarity between-subjects through the age of the previous winners: In the similar condition, the advertisement for the sweepstake highlighted a couple of previous winners with the same age as the respondents, while in the dissimilar condition they were older. We also had a control condition with no information on the previous winners’ age everything else being equal. The perceived similarity had a significant effect on how much time respondents were willing to spend to enter the sweepstake. More specifically this pattern of result was driven by the decrease of the entry likelihood when the previous winners were perceived as dissimilar compared to the control condition.

These findings imply several potential inferences consumers may draw on the previous winner information. First, it may serve as a basis to evaluate the subjective value of the prize and/or the participation process: “if people who look similar to me enjoyed this game/prize, I should also enjoy it and therefore I should entry this game as they did”. This rationale is inline with the informational social influence literature.

Second, the perceived similarity with the previous winners may also be heuristically processed which is quite realistic for such a low stake decision to which people are likely to dedicate little cognitive resources. To this respect, the similarity heuristic largely covered by the research on social influence is also a relevant candidate to explain our results. It has been shown in various fields that perceived similarity with a requester can entail increased compliance (Cialdini, 2001). What is also interesting for our context is that it has been emphasized that this similarity may rely on irrational superficial cues like shared names, birthdays, or fingerprint types (Burger et al. 2004). Here the setting is slightly different since the request to participate is not expressed by the similar previous winner.

Third the perceived similarity with the previous winners may foster the participation intention through the increase of the subjective probability to win. The differentiating characteristics of sweepstakes, contests and games among the other sales promotion tools is the uncertainty of getting the prize for the consumer. Most of the time, advertising for promotional games do not include an explicit probability to win. However people may base their decision on an estimation of their probability to win. Owing to limited cognitive resources, motivation and capacity, consumers do not always start a complex probabilistic reasoning to come up with this estimation. There is a large literature on the mental shortcuts implemented by people to make judgments under uncertainty, and on the biases they sometimes may entail (Gilovich, Kahneman & Griffin, 2002). One of the most established is the representativeness heuristic according to which people judge the likelihood of an event by relying on its degree of resemblance with the corresponding category. To this respect, the more the previous winners look similar to oneself, the greater one's likelihood to be a winner. Moreover the representativeness heuristic has been shown to be responsible for misconception of random sequences described as the belief in the law of small numbers according to which the law of large numbers applies to small samples as well. The Hot Hand fallacy is one of these erroneous beliefs (Gilovich, Vallone & Tversky, (1985). Our assumption is that people may treat similar or dissimilar previous winners as the two possible outcomes of a binary random process. Depending on their perceived similarity with the previous winner, they may draw conclusion on their own probability to win the next drawing as if the successive drawings were not independent from each other. In this case, the potential effect could be called an "inter-personal hot hand" bias implying that the two consecutive winners are not the same person: the hot hand benefits here to a category of persons (the young people vs. the older people, the Parisian people vs. the province people, etc.).

We are currently running more studies in order to replicate the results and disentangle the alternative explanations, which have just been evoked. Specifically, we intend to replicate the effect by varying similarity operationalizations: the age is a fairly weak similarity manipulation and may be confounded with physical attractiveness; group membership may be a relevant alternative. Next studies also include more measures such as game and prize attractiveness, perceived probability to win, attitude toward previous winners in order to gain insights about the mechanism underlying the effect of the perceived similarity with the previous winner on the entry likelihood.

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**DUAL-PROCESS THINKING:
AUTOMATIC AND CONTROLLED INFLUENCES ON CONSUMER JUDGMENT**

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ABSTRACT

Much research posits a dual-process approach to judgment (Epstein 1994; Kahneman and Frederick 2002; Stanovich and West 2000). While this approach is rather broadly accepted, direct empirical support for the view was lacking until recently (Ferreira et al. 2006). Using a process dissociation procedure (Jacoby 1991) paired with decision problems in an exclusion/inclusion format, Ferreira et al. (2006) provide support for the dual-process approach. The present study aimed to apply a similar methodology in examining automatic and controlled components of consumer decision making under different processing goals.

Background and Predictions

Existing research suggests that automatic, heuristic reasoning is a default while controlled, rule-based reasoning requires effort and deliberation (Tversky and Kahneman 1974). Some automatic reasoning usually will be present, but controlled reasoning can predominate with sufficient effort (Ferreira et al. 2006). Importantly, the nature of reasoning may vary but no decision is process-pure (Epstein 1994; Ferreira et al. 2006; Stanovich and West 2000). In making a decision, we expect processing goals to influence use of automatic and controlled processing.

H1: Individuals in an intuitive (rational) condition will employ less (more) rule-based reasoning.

Situational differences, individual differences, or decision-problem variables may influence controlled reasoning (Kahneman and Frederick 2002; Tversky and Kahneman 1974). Automatic processing essentially remains unchanged regardless of processing goal or decision (Ferreira et al. 2006). In considering a decision, we expect that situational variables such as processing goals will not influence automatic processes.

H2: Levels of heuristic reasoning will remain unchanged for individuals in intuitive and rational conditions.

Controlled processes may override automatic processes in some situations. However, a dual-process conception of judgment suggests that no decision is process pure. Controlled processes require activation and effort whereas automatic processes engage in default. Along these lines, automatic, heuristic reasoning influences decisions more than controlled, rule-based reasoning (Kahneman and Frederick 2002; Tversky and Kahneman 1974).

H3: The heuristic reasoning mode will have greater influence on decision performance than rule-based reasoning.

Method

Participants were 61 students from a large Midwestern university who responded to a 2 (intuitive/rational condition) \times 2 (problem list A/B) \times 2 (exclusion/inclusion problems) mixed design. Condition and problem list were between-subjects and exclusion/inclusion problems were within-subjects. The exclusion problems presented a dilemma between an “obvious” nonstatistical answer and a complicated statistical answer. Inclusion problems removed this opposition. Following data collection, participant responses were computed into estimates of automatic (heuristic: H) and controlled (rule-based: RB) processes (Jacoby 1991).

Results

A manipulation check suggested that individuals in the rational condition believed that they were deliberating more carefully than those in the intuitive condition ($t(58) = 5.15, p < .001$). We performed a mixed ANOVA with instruction-type as a between-subjects variable and estimates of RB and H as within-subjects repeated measures (Ferreira et al. 2006). The analysis suggested a reasoning mode main effect with H greater than RB ($F(1,58) = 319.95, MSE = 11.01, p < .001$). However, a reasoning mode \times instruction type interaction was not significant ($F(1,58) = .280, p > .50$). Instructions did not have a differential influence on RB and H and Hypothesis 1 was not supported. Planned contrasts indicated that moving from an intuitive to a rational condition did not increase RB ($t(58) = .57, p > .50$) and that H was not influenced by condition ($t(58) = .02, p > .90$). The absence of change for H between rational and intuitive conditions suggested that it was at work as a default, providing support for Hypothesis 2. The prevalence of H for individuals in both conditions combined with H operating as a default and no change in RB provided some support for Hypothesis 3.

Discussion and Further Research

The finding that automatic heuristic reasoning was more prevalent than controlled rule-based reasoning is in line with existing research (Ferreira et al. 2006; Tversky and Kahneman 1974). However, an interaction between reasoning mode (H and RB) and instruction type (rational or intuitive) did not replicate. One possible explanation among several considered for this unexpected finding might be due to the nature of the distinction between automatic/controlled consumer judgments. Specifically, the difference between automatic and controlled reasoning may be qualitative in nature, with the heuristics common to automatic reasoning better described as simplified rules common to controlled reasoning. A specific examination of this claim would make this explanation more compelling and supportive of research suggesting that the dual processes often will not diverge (Tversky and Kahneman 1974).

The present study lends some support to the existing dual-process conception of judgment. Automatic processes tend to predominate and exist as a default. However, a lack of reasoning mode differences even when participants' perceptions about their thinking differed by a manipulation check raises some questions. The nature of how controlled processing can override automatic processing needs further examination. The predominance of automatic reasoning in the present study suggests that this line of research is ripe for investigation. Careful reasoning and especially automatic heuristics are likely to influence consumer decisions heavily, often, and simultaneously.

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IS THERE A LINK BETWEEN PRODUCT INVOLVEMENT AND E-LOYALTY? EXPLORING A MEDIATING ROLE OF PERCEIVED PLAY

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ABSTRACT

The results show that online shoppers who are highly involved in product, so they can experience feelings of pleasure and escapism, that is, they tend to hold a higher perception of play. Only if online shoppers experience perceived play, they can transfer positive experience to stable attitudes toward web site (i.e., e-loyalty).

Introduction

The concepts of involvement and loyalty have received widespread attention in consumer research. Although involvement has been theoretically linked to loyalty (or commitment) (Beatty et al., 1988; Iwasaki & Havitz, 2004; Park, 1996; Quester & Lim, 2003; Traylor, 1981, 1983; Warrington & Shim, 2000), there is an apparent lack of consensus regarding the nature of relationship between two constructs. In particular, transactions made through online stores are promising sources, so knowing why online shoppers are willing to be loyal to an online store is a key issue for e-commerce.

Theoretical Background

The relationship between product involvement and e-loyalty. Product involvement is defined as the perceived relevance of a product class based on the consumer's inherent needs, interests, and values (Zaichkowsky, 1985). Even though several scholars have previously given a definition for loyalty, this study defines e-loyalty as an online shopper's favorable attitude toward an e-retailer that results in repeat buying behavior (Srinivasan et al., 2002).

Under the theoretical basis of an Elaboration Likelihood Model (ELM) (Petty & Cacioppo, 1981), this study infers that online shoppers with a low product involvement generally pay attention to peripheral or product-irrelevant cues. Furthermore, they are always unable to invest in a consumption relationship, and thus they only focus on peripheral cues when making a buying decision, so their attitude or behavior is unstable.

When consumers shop online with high product involvement, they not only focus on the central cues or product-relevant arguments, but they also have higher motivation and ability to process product information and carefully evaluate buying decisions. Thus, they have invested effort and time in product-related information search activities (Bloch et al., 1986), and their higher ability (or knowledge) makes them more confident in their purchase decision, so their attitude or behavior appears stable, and they are more likely to be loyal to that particular brand or store. Zaichkowsky (1985) argued that consumers who are more involved have a greater likelihood of establishing brand preferences. In addition, some studies also argue that consumers with high-enduring product involvement have been found to be more likely to make a commitment to a particular brand (Beatty et al., 1988; Traylor, 1981).

The Mediating Role of Perceived Play. When a product information search within an online context serves as a leisure activity, it offers enjoyment and escape, a source of value that Mathwick et al. (2001) labeled “*perceived play*.” The perceived play as reflected in the two dimensions of intrinsic enjoyment and escapism (Mathwick et al., 2001). The *enjoyment* inherent in information search is a well-documented, self-oriented reward that can transform the information search into a leisure experience in its own right (Bloch et al., 1986). The *escapism* reflects a person with a state of psychological immersion and with a fully engaged in the focal activity (Lombard & Ditton, 1997).

High involvement with a product is thought to increase a person’s motivation for engaging in consideration of the product-relevant arguments presented. That is, involvement affects the information search before buying (Srinivasan, 1990) and the subsequent decision-making process (Petty et al., 1983). When online shoppers are highly involved with a product, they have been found to seek information not only to increase knowledge but also to experience pleasure. For online shoppers with a low product involvement, escapism is the last thing they seek and the information search is often perceived as a chore to be tolerated rather than enjoyed (Bloch et al., 1986; Punj & Staclin, 1983). In sum, online shoppers with a higher product involvement tend to hold a higher perception of play.

Some studies have argued that consumer experience in general will affect attitudinal and behavioral responses in retail settings (Bitner, 1992; Mathwick et al., 2001; Mathwick & Rigdon, 2004; Ridgway et al., 1990). Transient emotions, particularly the pleasurable feelings experienced in retail environments, have been related to retail behaviors, preferences, and future intentions (Dawson et al., 1990). Thus, this study argues that when online shoppers become highly involved in the product information search activities result in more feelings of perceived play, and that positive experience is hypothesized to transfer to stable attitudes toward the focal web site or toward the focal store and its brand.

Methodology

The survey was conducted using an online travel store in Taiwan. A total of 206 self-administrated questionnaires were collected. The scales of perceived play and e-loyalty were adopted from Mathwick et al. (2001) and Srinivasan et al. (2002). The Product Involvement Inventory (PII) was designed to measure the degree of product involvement (Zaichkowsky, 1994). After the pretest, 4, 5, and 5 items were selected to measure the perceived play, product involvement, and e-loyalty. Each item was rated on 6-point Likert-type scale, ranging from 1 (strongly disagree) to 6 (strongly agree). The model was tested using the two-step structural equation procedure.

Findings and Conclusion

The CFA model shows a satisfactory fit: GFI=.90, AGFI=.85, NNFI=.90, and CFI=.92. All factor loadings and t-values were significant ($t > 5.47$, $p < .01$). Furthermore, testing whether the confidence interval around the correlation between any two latent constructs included one. The Cronbach’s alpha also exceeded .7. The results support convergent validity, discriminant validity, and reliability.

The full structural model also shows a satisfactory fit: GFI=.87, AGFI=.82, NNFI=.86, and CFI=.89. First, the effect of product involvement on e-loyalty is not significant ($\gamma_{PI \rightarrow e-loyal} = .18$, $p > .05$). Second, the effect of product involvement on perceived play is found to be positive and significant

($\gamma_{PI \rightarrow play} = .45, p < .05$). Finally, the effect of perceived play on e-loyalty is also positive and significant ($\beta_{play \rightarrow e-loyal} = .36, p < .05$). Indeed, the perceived play is shown to have a fully mediating role linking product involvement and e-loyalty. Online shoppers highly involved in a product who used their own motivation and ability to seek product information, then become immersed in the information search activity. Ultimately, they can experience feelings of pleasure and escapism, that is, they tend to hold higher perceptions of play. Only if the online shoppers experience perceived play, they can transfer positive experience to stable attitudes toward the web site (i.e., e-loyalty).

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CULTURAL EMBEDDEDNESS OF PRODUCTS (CEP) SCALE: DEVELOPMENT AND TESTING OF A NEW MODERATOR OF EFFECTS OF DIMENSIONS OF CULTURE ON CONSUMER BEHAVIOR IN RUSSIA, THE U.S. AND NORWAY

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ABSTRACT

Introduction

Despite the relatively common in marketing assumption of convergence of consumer behaviour across cultures (Levitt 1983), national cultures exhibit certain resistance to the forces of globalization (de Mooij 2000; Inglehart and Baker 2000). In this research culture is viewed as quantifiable society-level dimensions, e.g. individualism-collectivism (INDCOL) (Triandis 1995). Thus extant research provides support of continued importance of culture in consumer behavior (de Mooij 2000). Apart from the general diagnosticity of cultural dimensions, due to the importance of the national/ethnic self-concept for the individual's functioning and well-being (Tzuriel and Klein 1977), cultural meanings that can be used to construct or maintain the national/ethnic self-concept also can be highly diagnostic of consumer behavior. Degree of cultural meanings embedded in consumer products as perceived by members of a culture is termed cultural embeddedness of products (CEP). Due to the centrality of CEP for individuals the construct could moderate effects of major dimensions of culture on consumer behavior. This research aims to develop and test a scale to measure the concept of CEP across three cultures: Russia, the U.S. and Norway.

Conceptual definition of CEP involves three major theoretical domains, i.e. that of culture, self-concept and subjective product perceptions. Culture is defined as a construct consisting of traditional ideas and their attached values, a product of action and a cause of further action (Kroeber and Kluckhohn 1963). Self-concept is defined as totality of individual's thoughts and feelings having reference to himself as an object (Rosenberg 1979). The national/ethnic self-concept is defined as that part of self-concept that derives from his knowledge of his membership of a social group together with the value and emotional significance attached to that membership (Tajfel 1981). Processes of embedding products with cultural meanings originating from the culturally constituted world, are defined by e.g. movement of meaning framework (McCracken 1986). Processes of constructing the national/ethnic self-concept using the embedded meanings are outlined by such frameworks as symbolic interactionism (Solomon 1983) or social identity theory (Kleine et al. 1993).

Scale Development

The framework by Churchill (1979) was used in the scale development. The theories of socialization (Knight et al. 1993), movement of meaning, symbolic interactionism and social identity theory, among others, that explain interaction between the three theoretical domains, were used in generation of items for the scale. Examples of items generated include such as "If I traveled abroad, and

was asked about a typical ethnic product, I could mention this one” and “When consuming this product, I feel that I am part of the ethnic traditions”. Originally fourteen items were generated.

Initial Testing In Russia

CEP construct was hypothesized as having two dimensions: “descriptive” (e.g. “this product is rooted in the ethnic traditions”) and “ethnic identity relevance” (e.g. “as a (member of a certain ethnic group) I am proud of this product”). CEP Scale was subjected to empirical testing in the Russia on five both strongly and weakly culturally connected products (mors (a berry juice), pelmeni (a meat dish), vodka, ketchup and soft drink). The sample included 201 randomly selected respondents (mean age = 26.2; % female: 68.7%; response rate: 20%). CEP Scale discriminated well between high- and low-CEP products. CFA using SEM was conducted across the three high-CEP products (mors, pelmeni and vodka). After introduction of two error covariances two-factor solution achieved a better fit (CFI=0.928; RMSEA=0.095; CMIN/DF=2.799) than one factor solution (CFI=0.802; RMSEA=0.156; CMIN/DF=5.857). Dimensions of CEP correlated with CET Scale (Shimp and Sharma 1987): descriptive (for high CEP products) = 0.162 (p=0.021), ethnic identity relevance = 0.313 (p=0.000).

Scale Purification and Testing in the U.S. and Norway

CEP Scale was further developed for testing in the U.S. Additional five items were added to reflect socialization processes (e.g. “When I was a child, my family referred to this product as one of the symbols of our ethnic identity”) and function of ethnic identity (e.g. “I feel that (our ethnic group) is closer to other nations where this product is also regarded as a national symbol). The scale was tested on an internet sample in the state of Wisconsin (254 respondents; mean age = 46; female: 57%; response rate: 10%). Products included hot dogs, cars, hamburgers, jeans, sushi, soccer, designer clothing and tea. CEP Scale discriminated well between the high- and low-CEP products. CFA using SEM was conducted across the four high-CEP products (hot dogs, cars, hamburgers, jeans). One-factor solution had low levels of fit (CFI=0.772; RMSEA=0.153). After item purification (six items were deleted) two-factor solution achieved satisfactory fit (CFI=0.938; RMSEA=0.096; CMIN/DF=3.326). The dimensions of CEP correlated with vertical collectivism (VC) (Triandis and Gelfand 1998) at low levels (descriptive: $r=0.141$, $p=0.05$; ethnic identity relevance: $r=0.197$, $p=0.01$). As expected, the dimensions of CEP moderated the effects of INDCOL, e.g. descriptive and ethnic identity relevance moderated the effect of VC (-0.444 , $p=0.01$ and $.383$, $p=0.01$) on attitudes towards American brands of hot dogs.

The purified 13-item CEP Scale was tested in the Norwegian culture using postal sample in the cities of Bergen and Oslo (158 respondents; mean age = 39; female: 54%; response rate: 16%). Products included: “bunad” (ethnic costume), “kjøttkaker” (a meat dish), “brunost” (goat cheese), cross-country skis, ketchup, cars, make-up and pizza. CEP Scale discriminated well between the high- and low-CEP products. The level of fit for one-factor solution using CFA across the four high CEP products (“bunad”, “kjøttkaker”, “brunost”, cross-country skis) was: CFI=0.929; RMSEA=0.093; CMIN/DF=2.368. However two-factor solution resulted in a better fit: CFI=0.952; RMSEA=0.078; CMIN/DF=1.966. Multi-group analysis of invariance confirmed partial configural and full metric invariance across the U.S. and Norwegian cultures (Steenkamp and Baumgartner 1998). The dimensions of CEP significantly correlated with vertical individualism (VI) (descriptive: $r=0.232$, $p=0.01$; ethnic identity relevance: $r=0.229$, $p=0.01$) and vertical collectivism (descriptive: n.s.; ethnic identity relevance: $r=0.182$, $p=0.05$). Descriptive and ethnic identity relevance moderated the effects of INDCOL, e.g. the effects of VI ($.225$, $p=0.1$ and $-.263$, $p=0.05$) on attitudes towards Norwegian brands of goat cheese.

Conclusions

CEP Scale represents a promising construct with potentially strong direct and moderating effects in consumer behavior. In our tests across the three cultures two-factor dimensionality of the scale was supported. The scale was found partially configurally and fully metrically invariant across the U.S. and Norwegian cultures. Moreover, CEP Scale exhibited good discriminant validity across the three cultures in that it was shown to be related yet distinct from established constructs such as consumer ethnocentrism and individualism-collectivism. Finally, we found evidence of CEP moderating the effects of INDCOL on consumer behavior. Such moderating role of cultural embedded meanings may have been underestimated in earlier studies in consumer behavior.

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THE MAXIMIZATION PARADOX: THOSE WHO WANT MORE, GET LESS

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ABSTRACT

People seem to prefer more than fewer options. For example, Westerners are more drawn more to arrays of 30 jams than to arrays of 6 jams (Iyengar & Lepper, 2000). Interestingly, research suggests that people are less satisfied with the larger assortments than the smaller assortments (Chernev, 2003; Iyengar & Lepper, 2000; Schwartz, 2000, 2004). We suggest that the reduction in satisfaction may be moderated by an individual difference variable-- choice-making orientation (CMO). Furthermore, we anticipate that the people who are more likely to experience reduced satisfaction from increased options are the very ones who are more willing to sacrifice resources in order to attain greater choice.

Many of life's trifling choices present some sort of cost, for example time and effort spent while conducting searches. Among these types of everyday choices, we anticipated that maximizers, who effortfully strive to find the best option (Schwartz et al., 2002), would be more willing to sacrifice resources in order to attain more options, among them potentially the best one, relative to satisficers, who curtail an exhaustive search as soon as a suitable option has been found (Schwartz et al.).

How does the choice of a larger or smaller assortment affect satisfaction with the outcome? We expect maximizers to be less satisfied with their outcomes even after having sacrificed to gain more options from which to choose, relative both to maximizers who do not sacrifice for more options and to satisficers generally due to higher expectations combined with lower statistical probability of identifying the "best choice". For satisficers, adding options might increase the likelihood that their acceptable threshold is met. Thus, satisficers are not expected to be less satisfied with increased assortments.

In three studies we investigated the pair of predictions we term the *Maximization Paradox*: maximizers will be more likely than satisficers to voluntarily sacrifice to gain more options from which to choose, but maximizers will subsequently be less satisfied with their selections after having sacrificed to gain more options. In all studies the Maximization scale was used to identify choice making orientation.

In Study 1, 101 students received, among others, a vignette in which they were told they need to replenish their cleaning materials. They then had to choose between a close by grocery store with 4 different alternatives for the products or superstore (5 times as far) which offered 25 alternatives for approximately the same price. We anticipated that maximizers would be more willing than satisficers to sacrifice resources (time, gas) to attain the larger assortment.

A logistic regression analysis predicting choice of cleaning supply store from maximization score revealed a significant effect of CMO, $\chi^2(1) = 4.86, p = .03$. For every one unit increase in maximization score, the odds of choosing the superstore increased by 6%, Wald = 4.5, $p = .03$.

Study 2 (96 participants) investigated the maximization paradox in the lab. Participants were told that they would get to consume one chocolate. The experimenter offered them a choice between two assortments containing either 6 or 30 chocolates. To choose from the larger assortment, participants had to agree to complete an additional questionnaire (larger time investment). After indicating they had chosen a chocolate, participants were given the chocolate and completed satisfaction measures.

A logistic regression analysis predicting choice of assortment size revealed a significant effect of CMO, $\chi^2(1) = 7.09$, $p < .01$. For every one unit increase in maximization, the odds of sacrificing time to choose from the larger assortment increased by 5.5%, Wald = 6.36, $p = .012$.

To predict satisfaction from CMO and assortment size, we conducted a regression analysis. The expected CMO by assortment size interaction emerged, $\beta = .28$, $t = 2.71$, $p < .01$. Simple slope analyses revealed that among participants who chose from the larger selection, a stronger tendency to maximize predicted decreased satisfaction with the choice, $\beta = -.39$, $t = -2.27$, $p = .03$. Maximization did not predict satisfaction in the smaller assortment condition, $\beta = .19$, $t = 1.48$, $p > .10$. In addition, maximizers who chose from the larger assortment ($M = 4.73$, $SD = 1.86$) were less satisfied maximizers who chose from the smaller assortment ($M = 5.64$, $SD = .98$), $t(47) = -2.23$, $p = .03$.

In Study 3 (121 participants) we investigated the maximization paradox among customers in two ice cream parlors, one of which offers approximately 200 flavors and the other offers approximately 20 flavors. We anticipated that maximizers would be more likely than satisficers to seek the larger ice cream parlor (LP), and paradoxically that maximizers who chose from the larger ice cream parlor would be less satisfied than those who chose from the smaller ice cream parlor (SP). All the patrons who were recruited at SP arrived on foot whereas all the patrons who were recruited from LP arrived by car and left immediately following the study/ice-cream consumption. We inferred that patrons of LP sacrificed more time and effort to seek out a larger assortment than those in SP. Following their ice-cream purchase customers were asked to complete a questionnaire containing, among others, the Maximization Scale and a satisfaction measure.

A logistic regression analysis predicting location from maximization score revealed a marginally significant effect of choice-making orientation, $\chi^2(1) = 3.37$, $p = .066$. For every one unit increase in maximization score, the odds of being recruited in the larger assortment parlor increased by 3%, Wald = 3.25, $p = .072$. A regression analysis revealed a significant CMO by location interaction, $\beta = .19$, $t = 2.24$, $p = .027$. Simple slope analyses revealed that among patrons at LP, higher maximization scores negatively predicted satisfaction with their ice cream, $\beta = -.42$, $t = -3.55$, $p = .001$. Among patrons at SP, no relation between CMO and satisfaction emerged, $\beta = -.03$, $|t| < 1$. In addition, maximizers at LP ($M = 5.81$, $SD = 1.16$) were less satisfied compared with maximizers at SP ($M = 6.56$, $SD = .70$), $t(59) = -2.52$, $p = .02$.

Summary

Taken together, these studies provide evidence that maximizers are willing to sacrifice time and effort in order to gain additional options, which ultimately diminish their satisfaction with the option they chose—a result we label the “Maximization Paradox.” Satisficers were less willing to sacrifice to attain more options and were relatively satisfied regardless of the choice set size.

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AFFECT DRIVE SCALE

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An individual difference scale designed to assess one's reliance on affect (a general feeling state that includes discrete emotions and mood) when making decisions is developed. The Affective Decision Scale evidenced good convergent and discriminant validity. It was also compared to other individual difference scales including the Need for Cognition.

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PERCEPTIONS OF PROBABILITIES FOR RISKY PROSPECTS WHEN CONSIDERING ONE REALIZED OUTCOME FROM REPEATED TRIALS

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ABSTRACT

“You're playing the odds, and eventually something is going to happen, though you hope it doesn't happen”, thus spake an avid surfer announcing his intention to continue surfing at New Smyrna beach in Florida. This despite his being in the process of recovery from a shark bite that had severed some tendons in his hand, while he was surfing at the same beach. New Smyrna beach is reputed to have the highest incidence of shark attacks in the world yet surfers prefer it because of the regularity of its waves (*Orlando Sentinel*, 2007). Every day, consumers repeat such risky behaviors after assessing their chances of a desired positive outcome or a dreaded negative outcome. An example of a person hoping for a positive outcome is a consumer who regularly buys lottery tickets or a gambler who falls victim to the commonly termed “gambler's fallacy” (Cowan, 1969). While in the gambler's case, the person performing such behavior would prefer an outcome to be realized; the person acting in a risky manner when the outcome has consequences that are negative, must be devoutly wishing that the outcome would not materialize. The New Smyrna beach surfer for example, must be hoping that it is safe to go in the water again with negligible chances of encountering a sharp-toothed shark. The question that this research seeks to address is whether consumers have different perceptions of the low probabilities of a single event being realized from multiple trials – depending on whether the outcome is negative or positive.

Consequently, the focus of this research is descriptive rather than normative and is grounded in the Prospect Theory framework (Kahneman & Tversky, 1979). The mechanism of treating multiple sure outcomes of differing valence has been described in literature related to mental accounting and hedonic editing (Thaler, 1985; Thaler, 1999). It was found that people tended to “frame outcomes in whatever way makes them happiest” (p.203, Thaler, 1985) in other words acting in a manner consistent with maximizing the hedonic value of their decisions. When presented with multiple outcomes the value function of Prospect Theory implied that gains would be segregated since one would prefer to win two lotteries paying \$100 each, rather than one lottery paying \$200. Similarly, there is less unhappiness with sustaining one loss of \$200 rather than two losses of \$100 each, given the curvature of the value function, which is concave in the domain of gains and convex in the domain of losses (Soman, 2004).

Going by the value function alone with preferences for segregation and integration of gains and losses respectively, an analogous process of treating the probabilities of such valenced outcomes would entail segregating probabilities when the outcome is positive and aggregating them when the outcome is negative. However, this would lead to less happiness and more unhappiness respectively for the consumer contemplating his chances in such decision contexts. Hence, contrary to the treatment of outcomes, hedonic editing of the probabilities may result in aggregating probabilities in the domain of gains and segregating them in the domain of losses.

This is on the assumption that the perception of the probability of the single outcome is unaffected by the valence of the outcome as suggested by the weighting function in the original form of Prospect Theory (Kahneman & Tversky, 1979). Cumulative Prospect Theory (Tversky & Kahneman,

1992) posited that differences did exist between the weights for gains and losses, in that while perceptions of low probabilities were exaggerated, it was more so for gains than for losses.

In order to examine the differences in treatment of probabilities for repeated trials with outcomes of opposing valence, an experiment was designed with subjects being asked to state the number of trials necessary for an event with a low probability to equate to an objective probability of 50%. A process of hedonic editing would entail that subjects confronted with a positive outcome would aggregate probabilities and require less trials to equate to an objective probability, compared to the greater number of trials required by subjects facing a negative outcome who may prefer to segregate probabilities. This prediction is in consonance with the weighting function of Cumulative Prospect Theory since the perception of probabilities for positive events would be increased than for negative events, leading to a lesser number of trials required to equate to an objective probability – allowing for an additive form of aggregation.

However, subjects may properly refuse to aggregate thus the probabilities of repeated trials since each trial would be independent of the other. It is possible that subjects would treat the probabilities in a normative manner, requiring more trials. That such treatment does not do undue violence to normative treatments of frequentist probabilities can be demonstrated with a numerical example. Consider a consumer whose behavior is analogous to rolling a standard six-sided die with a particular face deemed a success. The probability of getting a success on the first roll for a fair die is $1/6$. Thus, the probability of not getting it on the first roll is $5/6$. The probabilities are identical for each subsequent roll, since each roll of the die is independent. Yet, the chances of success with two rolls are considerably enhanced, since now the probability of not getting the winning value on at least one of the two rolls is $5/6 \times 5/6$ or $25/36$, leading to the probability of $11/36$ of getting the winning value on at least one roll. The probability of realizing the outcome at least once crosses the 50% mark on four rolls of the die with the probability of not getting the winning value being $625/1296$ and the probability of success being $671/1296$.

In the first experiment, differences were seen in the manner that subjects treated probabilities linked to gains and losses respectively. Further experiments are planned on the perceptions of probabilities for single events, which will hopefully suffice to settle the issue of whether this is due to differences in hedonic editing related to aggregation and segregation or the perceptions of probabilities.

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EMOTIONAL ANTECEDENTS AND CONSEQUENCES OF ORGAN DONATION- A TWO STAGE MOTIVATIONAL APPROACH

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ABSTRACT

There have been a number of papers that have studied organ donation from a practical perspective (Kohn et al. 2007, Kettis-Lindblad et al. 2006). The objective of this proposal is to study organ donation from a motivational perspective using anticipatory emotions.

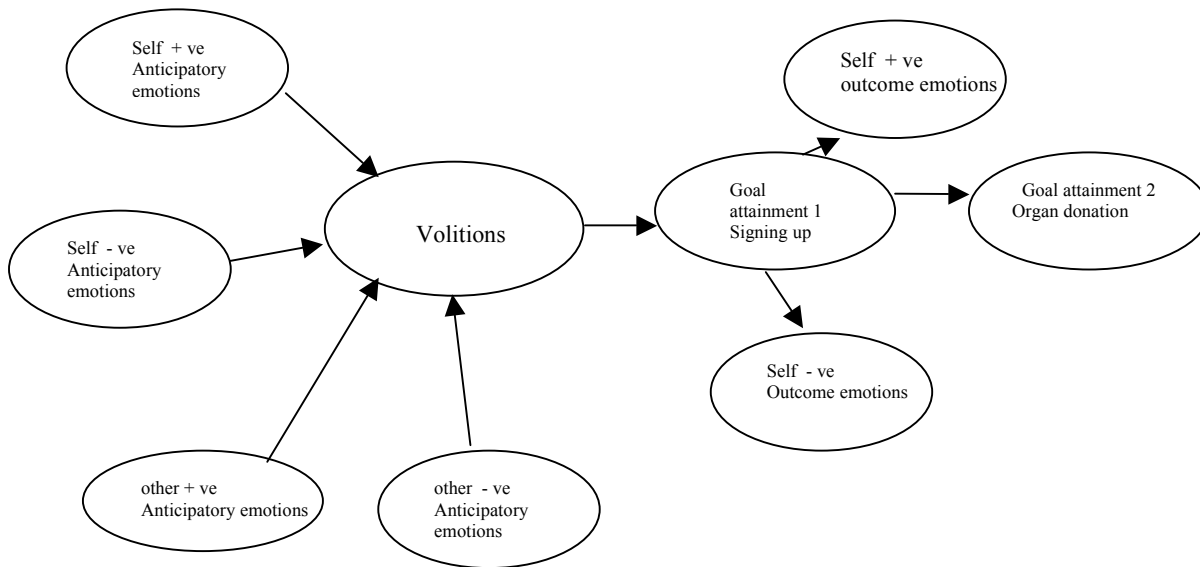
There are a number of challenges to studying organ donation from a motivational perspective. In organ donation we need to redefine the goal from actual donation of organs to the signing up for organ donation. The goal of donation of organs happens in the absence of the donor while the recipient benefits from the transfer at the time of organ reception. This benefit of the organ donation to the recipient that happens in the absence of the donor is expected to motivate the donor to sign up. This is one major challenge for promotion of organ donation. For the same reason it is the anticipation of some positive outcome that drives the donor to sign up for organ donation. Recent research in anticipatory emotions provides a useful framework whereby anticipated emotions at the time of goal achievement or failure to achieve the goal is expected to motivate the person to act today. There are a few modifications to be made on this model as well. The origin of this model is Lazarus's (1991) cognitive theory of emotion and adaptation. This was further developed in Bagozzi (1992) and Bagozzi, Baumgartener and Pieters (1995) to include goal directed emotions. One application of this model has been done in Brown, Cron and Slocum (1997) where the effects of goal-directed emotions on salesperson volitions, behavior and performance are investigated as a longitudinal study.

Different from traditional models of goal attainment, goal setting in this paper is defined for organ donation process as a two-stage process. Instead of anticipatory emotions to the donor, one should also be concerned with anticipatory emotions to those who are close to the donor as well, first at the time of signing up for organ donation and then at the time of actual organ transfer. The two stages of goal setting are the goal of signing up for organ donation and goal of helping another person with the donated organ. The attainment of first goal is something a donor can work towards and can be motivated to do so by anticipated positive emotions as a result of signing up and anticipated positive emotions as a result of helping an organ recipient. On the other hand, the anticipated negative emotions of self for signing up and more importantly the strong negative emotions that results from secondary goal attainment (organ donation as a result of death) inhibits a person from signing up. (This could be a major cause of low organ donation rates). Once this can be established, work can be done on how to reduce the anticipatory negative emotions and how to increase the anticipatory positive emotions in donors. It is also expected that the anticipatory emotions of your near and dear ones also has an impact on your decision to donate. These emotions are somehow communicated to the prospective donor and that has an impact on his/her volitions. The transformation of anticipatory emotions into goal directed emotions happens through volitions. Volitions include both a directive component and motivational component. The directive component involves planning activities and selection of appropriate behaviors for goal attainment. The motivational component involves committing oneself to exerting the necessary effort to attain a personal goal. In this case the personal goal will be attainment of the first goal of

signing up for organ donation. The directive and motivational component of volitions will be directed at attainment of signing up for organ donation.

Methodology: Data for this study has to be collected from organ donors through organizations involved in organ donations. This will involve survey of a sample of organ donors. There are several challenges to overcome in the data collection process. Data analysis will be done through structural equation modeling.

This study has got direct implication for transformational consumer research. This could also have impact to public policy and health care planning.



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**RECONSTRUCTION THEORY:
TOWARDS AN UNDERSTANDING OF HOW MEDIA SCHEDULING INFLUENCES
MEMORY FOR ADVERTISING**

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ABSTRACT

It is well established in the advertising literature that memory for advertising is dependent on media scheduling. The purpose of this investigation is to determine, through two experiments, the theory that best explains the spacing effect in a marketing setting. Our results support a two-factor theory of spacing effects and this finding has both theoretical and practical implications for marketers.

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THE MEANING OF CONSUMER EXPECTATIONS AND GOALS IN PERSONAL TRAINING: A NEGOTIATION PROCESS

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ABSTRACT

The examination of consumer goal-setting and goal-striving in services is important since more and more services are utilized by the modern Western consumer (Bagozzi and Dholakia 1999). Research on regulatory focus theory (Aaker and Lee 2001; Higgins 1987, 1997; Keller 2006) has been growing in the last decades. With recent calls for more studies involving actual “consumer experience” in consumer studies (Richins 2005; Thompson, Locander and Pollio’s 1989), an interest for consumer life stories and narratives has transpired. This study aims to fill some of the gap identified in the consumer research and behavioral decision theory literature by bringing in consumers’ voices, reflections, and narratives in understanding the different processes underlying the motivations behind the mechanisms in consumption goals.

The context of transforming the body through personal training was chosen since it is an extended and repeated service encounter offering delayed gratification compared to other studies of contexts offering immediate gratification (e.g., body adornments (Bloch & Richins 1992), cosmetic surgery (Schouten 1991), and tattooing (Velliquette, Murray & Evers 2006)). Provided that personal training is of a high involvement nature, a richer contribution and understanding of the process of negotiation and re-negotiation of consumer expectations and goals can be made to the consumer psychology and behavior field.

Method

A qualitative method, with extensive participant observation and in-depth interviews, was used. 24 informants from two southwestern cities were interviewed. The selected personal trainers and coaches had their own facilities, were employed by a nation wide personal training company, or were self-employed entrepreneurs contracted to work at different gym facilities. The consumers in the study were mostly referred to the author by the personal trainers. Close interpretive readings with a comparative approach were used to analyze the data.

The Negotiation and Re-Negotiation Process

Higgins (2000) regulatory focus theory has proposed that there is a relationship between a person’s orientation (promotion or prevention) to an activity and the means used to pursue that activity. A consumer can pursue the same goal activity with different orientations and means (i.e., through a diet plan, exercise of different kinds, plastic surgery, and psychological therapy) to increase self-esteem and to feel better. However, both regulatory focuses may coexist in one person used for different goals relating to separate areas of life or at different phases of goal attainment (Higgins 2000). A conceptual framework, consisting of six phases, of how the negotiation and re-negotiation process of consumer expectations and goals occurs in an extended service encounter is presented.

Phase 1: Reality Check – Initial Negotiation with Trainer. This stage uncovers how the initial expectations and goals of the consumer have to go through a “reality check” and negotiation with the service provider. As the initial negotiation takes place, the consumer expresses her ideal self, and her innermost wants and desires to negotiate her expectations and goals of the service. The ideal self is often altered as the client learns more about her possibilities and abilities when transforming the body. The client’s goals have to be negotiated in order to become clear, concrete and specific, measurable, and realistic in the time frame the client is willing to commit. According to regulatory focus theory, consumers use the promotion or prevention focus in self-regulation to align their behaviors with relevant goals and standards (Higgins 1997).

Phase 2: Co-Creation of Value. Most service encounters requires the involvement of the consumer to co-create the value of the service. In personal training, the consumer needs to engage her body in physical activity as determined by the trainer for the service to take place. By taking part of the service encounter, the consumer becomes empowered (Dellande, Gilly, and Graham 2004) and therefore more committed to reach the initial negotiated goal that is agreed upon in phase one. Consumer meanings of experiencing “a release of control”, “a moment of release”, “giving up control” and “allowing access” to their body during the service encounter emerged from the data. This contrasts other findings of self-control in service encounters (Celsi, Randall, and Leigh 1993) and body transformations (Schouten 1991).

Phase 3: Compliance or Non-Compliance. Depending on an individual’s self regulatory focus, avoidance or approach goals are used to guide the person’s decisions, evaluations, and behaviors (Higgins 1997). If the consumer chooses to follow the guidelines or plan set up by the service provider, the possibility of goal attainment is increased (Bagozzi and Dholakia 1999; Dellande, Gilly and Graham 2004). For example, if the trainer gives the consumer a nutrition plan to follow in addition to meeting with the client for the work out sessions and the client chooses to follow this plan, the consumer is more likely to reach his or her goals.

Phase 4: Overall Success/Failure Evaluation. As noted in the earlier phases personal training is designed so the consumer has to take part of the service delivery process to create value for the consumer. Therefore they are partly responsible for the success or failure of the service outcome. Swartz and Brown (1989) suggest that both the professional and client need to have consistent expectations and evaluations for a successful service exchange to occur. The trainer has to constantly assess that the client’s expectations are congruent with what is realistically possible throughout the whole service relationship.

Phase 5: Exit or Re-negotiation (Phase 6). If the consumer goes through the service encounter with an incongruent goal, goal attainment is seldom reached. Depending on the individual consumer and how she attributes blame (on self or service provider) she may decide between exiting the service relationship or re-negotiate her expectations and goals with the same or a different trainer. A successful consumer will most likely remain in the service relationship longer than planned due to her re-negotiation of goals as she becomes fitter and reaches her initial goals. Phase 6 is a feedback loop and takes the place of phase one during the re-negotiation.

This has been a brief summary of how the negotiation and re-negotiation process of consumer expectations and goals occur in an extended service encounter. Insights for future research are discussed.

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**REALITY TELEVISION VIEWING CONNECTEDNESS AMONG ADOLESCENTS:
THE ROLE OF ASPIRATIONAL VALUES, AGE AND GENDER**

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Michael F. Smith, Temple University
Suzanne Martin, Harris Interactive, Inc.
David Beckham, Children's Hospital

ABSTRACT

Reality television has become a dominant programming genre across all television options over the past several years. We examine the effect of three value aspirations (academic achievement, popularity and physical attractiveness) on connectedness with reality television. We found that both popularity and physical attractiveness are positively associated with television connectedness. For males, popularity appears to be more strongly associated with connectedness than 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.

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CELEBRITY ENDORSEMENT IN WOMEN'S MAGAZINES: EVIDENCE OF RACISM

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ABSTRACT

Celebrity endorsement is used to enhance an advertising spot's consumer appeal by capturing the audience's attention and having them evaluate the product favourably by associations with the celebrity. As such it is a recognised marketing tool in which meanings can be delivered to brands and hence to audiences. Given celebrity endorsement results in more favourable advertisement ratings and product evaluations (Dean & Biswas, 2001) and impacts positively on the financial returns of companies that use them (Erdogan, 2001), celebrity endorsed advertising is regarded as a "ubiquitous feature" in marketing (McCracken, 1989).

While much is known about the theories underpinning celebrity endorsed advertising (Kahle & Homer, 1985; Kaikati, 1987; Erdogan, 1999; Belch & Belch, 2001), the attributes of celebrity endorsers (Kamins, 1990; Ohanian, 1991; Stafford et al, 2003), the effectiveness of celebrity endorsed advertisements (Mowen & Brown, 1981; Kamins et al., 1989; Goldsmith et al., 2000; Bower & Landreth, 2001), and the determinants of firms' decisions to employ celebrity endorsers for their products (Gwinner, 1997; Johansson & Sparredal, 2002; Clark & Horstmann, 2003), much less is known about the meanings they convey. The celebrity world is a powerful source of cultural meanings which can be employed by the marketing system (Solomon, 1983). Given this potency, should advertisers be held responsible for the sorts of dreams, ideals and goals such endorsements inspire?

Research and Methods

Utilising quantitative (systematic observation) and qualitative (content analyses) research methods, this study compares celebrity endorsed advertisements in 9 UK women's monthly magazines (Vogue, Instyle, Cosmopolitan, Red, Eve, Elle, Marie Claire, Easy Living, and Company) in July 2006 and 2007 to identify and explore their meaning and significance for women; consumer culture and advertising being thought to have a key role to play in constructions of womanhood (Stevens, Maclaran & Brown, 2003). It asks what is being signified by these comparisons for frequency, product category, occupation, gender, age, nationality and race of the celebrity endorsers and comments on the implications?

Findings

Celebrity endorsers increase 79% from 14 in 2006 to 25 in 2007. Further multiple celebrity endorsed advertisements emerge: David and Victoria Beckham with their DVB branded fragrance "Intimately"; Doutzen Kroes and Brenda Costa endorsing L'Oreal's "Glamour Bronze DuoSun Powder".

Eva Longoria, Penelope Cruz, Laetitia Casta and Claudia Schiffer are the only celebrities remaining in 2007. Claudia Schiffer is the only celebrity to increase her appearances from 4 to 6 spots. Eva Longoria, the only celebrity to appear in all 9 magazines in 2006 with a total of 11 spots, has a

single spot in Marie Claire in 2007. Only Linda Evangelista and Laetitia Casta appear more than once in a 2007 magazine, with Linda appearing twice in three magazines (Company, InStyle and Elle) equalling Eva's total of 11 spots. However, Linda does not equal Eva's ubiquity as she does not feature in Vogue.

Celebrities endorse a limited range of product types (mainly beauty (make-up and skin care), perfume and hair products). Skin care is the most celebrity endorsed 2006 product category. In 2007 it is make-up (both years 23 advertisements by 6 celebrities). The range increases in 2007 with jewellery (Ashley Judd), footwear (Ashlee Simpson), luggage (Jean Reno and Alexander McQueen) and food (Louise Rednapp) entering the celebrity endorsed market. Celebrity branded perfume emerges in 2007 (Hillary Duff, Sarah Jessica Parker, DVB).

73% of the 2006 advertisements (N=56) feature actresses, 23% models and 4% singers. In the 72 advertisements (2007), 44% feature actors/actresses, 38% models, and 8% singers. Other professional occupations emerge: racing driver, TV presenter, footballer and fashion designer.

All the 2006 advertisements feature female celebrities, perhaps unsurprising given that all the magazines target women, and women tend to identify better with and model themselves after other women. Yet in 2007 there is an emergence of male celebrity endorsers: one in tandem with his wife – David Beckham and 3 solo males (Jon Bon Jovi, Jean Reno and Alexander McQueen).

The older celebrity endorser gains ground in 2007 (2006 in brackets): 20% feature celebrities ages 20 ~ 29 years (down from 38%); 47% are 30 ~ 39 years (down from 57%); and 33% are 40 years and over (up from 5%). Advertisers may be reflecting UK demographics i.e. the “greying” UK target audience.

In 2006, 39% of endorsed advertisements feature American celebrities, 38% Europeans, 16% Asians and 8% South African. By 2007, 5 UK celebrities emerge (Catherine Zeta Jones, Davina McCall, Louise Rednapp, David and Victoria Beckham, and Alexander McQueen). In 2007, 49% feature European celebrities (28% non-UK and 21% UK), 33% American, 15% a Canadian, and 3% a Brazilian.

With regards to race, in 2006 77% of endorsed advertisements employed White celebrities; 11% Chinese; 7% Black and 5% Indian. This suggests that the target audience is believed by advertisers to identify more strongly with and or admire the characteristics of White women. This is sharply brought into focus in 2007 with ALL celebrity endorsers being White.

The 2007 (2006 in brackets) celebrity endorser stereotype in UK women's magazines is white (100% up from 77%), between 30 ~ 39 years (47% down from 57%), an actress (44% down from 73%), and European (49% different to the 39% American).

Discussion

Celebrity endorsements are increasing in the numbers of celebrities participating in endorsements and the frequency of such advertisements. As such the findings support Shimp (2000), Erdogan et al. (2001) and Pringle & Binet (2005) that it is growing prominence. However, there are concerns:

“because ads are so pervasive and our reading of them so routine, we tend to take for granted the deep social assumptions embedded in advertisements. We do not ordinarily recognize advertising as a sphere of ideology” Goldman (1992, p1)

Thus in UK women's magazines, while welcoming celebrity endorsers increasing diversity in gender and occupation, and the emergence of the older celebrity endorser, there is concern re the disappearance of the non-white celebrity endorser in a year. Brands and their advertisers have a corporate social responsibility to promote diversity. By not including celebrities of all races are they reflecting the social attitudes and values of women in the UK today? While this study cannot reach a conclusion on this, it can conclude they are influencing the aspirations, goals and ideals of their target audience.

The discussion is developed and, inter alia, argues that brands and their advertisers need to take positive action to be socially responsible, in particular, with regard to race.

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TOWARDS A BETTER UNDERSTANDING OF THE PHENOMENON OF RESPONSE STYLES: THE INFLUENCE OF SELF-REGULATORY FOCUS

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ABSTRACT

To get an idea of who is most susceptible to using response styles in answering a questionnaire, we linked respondents' Self Regulatory Focus to response style. Self regulatory focus is a personality related principle that builds further on the hedonic relation of pleasure/pain by distinguishing two different kinds of self regulation in relation to desired or undesired end states (Higgins 1997). The two systems are identified as promotion and prevention focus. These two foci differ in terms of consumers' goals (Pham and Aaker 2002). Promotion focused persons are closely related with obtaining ideals and prevention focused people with fulfilling oughts (Higgins 1987, Pham and Avnet 2004). A promotion and a prevention focus also involve different motivational orientations. Whereas individuals in a promotion focus are eager to approach advancements/gains and to avoid non-fulfillment/non-gains, individuals in a prevention focus are vigilant to assure safety and non-losses and to avoid danger/losses (Higgins 1997, Pham et al 2005, Fröster et al 2003).

According to Fröster et al. (2003, 2005), the eagerness of a person in a promotion focus leads to a more risky strategy and to increased creativity. When people are eager to take risks in attaining a certain goal, they usually respond fast and efficient. Promotion-focused people are more likely to adopt a rougher and global way (closely related to top-down way) of information search (Lee 2003). All this seems to lead to a more heuristic mode of information evaluation, in which a decision is taken rather quickly without carefully scrutinizing all options. In this sense promotion-focused persons can be considered as satisficers, people who do not go through the whole process of answering a question (Krosnick 1991). In contrast, prevention-focused individuals employ a more systematic mode of evaluation (Pham and Higgins 2004). They concentrate on avoiding losses. It is their drive to protect themselves against potential threats. They are vigilant and less willing to accept risks (Pham and Avnet 2004). Therefore, they can be assumed to be accurate, but slow (Fröster et al 2003). Moreover, their risk averse behaviour leads them to a way of carefully scrutinizing information or in other words relying on the substance of a message (Pham and Avnet 2004). This way of scrutinizing information is also characteristic for optimizing people (Krosnick 1991).

Response Styles Combined

Response styles, also defined as tendencies to respond systematically to questionnaire items on some basis other than what the items were specifically designed to measure (Paulhus 1991), are expected to differ among people with a promotion versus a prevention focus. In the literature, several classifications of response styles can be found. This study is based on the 5 most important ones classified by Baumgartner and Steenkamp (2001). ARS or Acquiescence response style, the tendency to answer positively, is closely related to content driven responding (Greenleaf 1992). As a result,

respondents will give more time intensive responses therefore ARS is seen as an optimizing strategy used by prevention focused people.

DARS or Disacquiescence response style, the tendency to answer negatively is caused by introvert personalities who try to maintain control by avoiding external stimuli (Couch and Kensington 1960). Introversion is linked with feelings of anxiety, fear, frustration and sadness (Gray 1981). According to Higgins (1997), prevention focused individuals suffer from these feelings of anxiety when making errors of commission. In addition DARS seems to be the response style that is considered to be related to criticalness and thoughtful processing of item content in a specific way (Couch and Kensington 1960). Both ARS and DARS provide a wide range of response categories and are therefore a less risky choice than ERS (extreme options). As a result, prevention focused individuals will make more use of both ARS and DARS because they are response styles that require some cognitive effort and are more risk averse (Pham and Avnet 2004). The response styles MRS (midpoint option) and ERS (extreme options) are seen as task simplifiers. Those response styles require little cognitive effort (Osgood 1941). Promotion focused persons who are fixed on speed and use heuristic modes reduce their cognitive effort while filling in the questionnaire. According to Krosnick et al. (2002), the 'no opinion' option or MRS is due more to satisficing rather than optimizing. Weijters (2006) provides evidence that MRS is a satisficing strategy. Consequently promotion focused people will make more use of ERS/RR and MRS than prevention focused people.

Although MRS seems to fit with promotion focused people, one can argue this theory. Because of their risk averse behaviour prevention focused people can become indecisive. According to Schwartz et al (2002), optimizers, closely linked with prevention people, may disengage the process rather than trying to form a judgement. In this case MRS is more an option chosen by the uncertain prevention focused person.

Study 1: Measuring Chronic Regulatory Focus

A first study concentrated on alternative measures for the chronic regulatory focus of a person. To avoid using a scale, which can be influenced by response styles, 5 techniques were selected from literature to measure the chronic regulatory focus: the speed/accuracy test (Fröster et al 2003), a choice test (Wang and Lee, 2005), the anagram task (Shah J., Higgins E.T. and Friedman R.S., 1998), the gift task and determination task (Lieberman et al, 1999). Four of the tests were closely related with the persons overall focus: the speed Accuracy test, the choice test, the gift test and the determination test.

Study 2: Combining Regulatory Focus With Response Styles

In a second study the remaining techniques will be combined with a list of 70 non-content related items gathered from the Handbook of Marketing scales, in order to test the hypotheses.

This is the first study that aims on a characterization of the response style user. By combining one's personality with the subject of response style, we try to make it easier to predict for whom response styles will be most problematic.

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**WHEN ARE PRODUCT BUNDLES MORE ATTRACTIVE?
EXPLAINING THE ROLE OF PRODUCTS' CONTINGENCY LEVEL,
CONSUMPTION GOALS, AND PROMOTIONAL STRATEGY**

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ABSTRACT

Bundle offers are widespread in today's products and services markets. Examples of bundles include software packages, combos of phone, television, and Internet service, and all-inclusive vacations. Bundling strategy refers to the selling of two or more products/services together at a single price (Stremersch and Tellis, 2002). It provides important benefits to sellers, such as reducing firms' costs related to the production, distribution, and selling of goods and services (Guiltinan, 1987). Despite the importance of this strategy, an abundant literature on pricing of individual products exists but relatively little research has addressed bundling issues. Moreover, very few studies in the bundling literature have specifically investigated the factors that influence consumer's choice for a bundle over individual items (Sarin, Sejo, and Chanvarasuth, 2003). Stremersch and Tellis (2002) suggested that, from the consumer's point of view, the added value of a bundle over individual products emerges either from the integration of products in the bundle (called product bundling) or/and from bundle-specific discounts offered by merchants (called price bundling). The latter strategy has been the main focus of past research in bundling, which thoroughly studied the impact of price and discount framing on consumer's evaluation of a bundle (e.g., Drumwright, 1992; Yadav and Monroe, 1993). The former strategy, product bundling, has been mostly studied within an economics framework using an optimization approach (e.g. Guiltinan, 1987; Venkatesh and Kamakura, 2003). It has also been confined to the evaluation of packages of complementary products, which value comes from the synergy among the bundled items (see Stremersch and Tellis, 2002). The issue of how bundles of different products' contingency level (i.e., complementary, substitutable and independently valued products) can be priced compared to the sum of the individual items' prices has not been empirically assessed in the bundling literature from a consumer's standpoint. These issues are critical for managers exploring the possibility to create bundle offers in contexts of brand extension (where a new product is associated to an existent product from a different product line, thus producing bundles of complementary or independently valued products) or line extension (where a new product is associated to an existent product from the same line, therefore producing bundles of substitutable products) (see Harris, 1987). To create attractive bundles, they will also have to determine the appropriate number of items to include in the bundle and whether to associate items from the same brand or from different brands. These issues are discussed in the first part of this research.

Purchase and consumption behaviors rarely occur independently of the influence of others (Bearden and Etzel, 1982; Childers and Rao, 1992). When purchasing products for others, consumers' concern for being able to justify their decisions increases (Simonson and Nowlis, 2000; Shafir, Simonson, and Tversky, 1993). However, the reasons provided to justify their decision to opt for a bundle of complementary products are likely to differ from the reasons they may use to justify the selection of bundles of independently valued or substitutable products. Therefore, consumers' likelihood to opt for bundles over individual items may also differ across products' contingency levels since it might be easier to justify the choice of a bundle in the case of complementary products than in the case

of independently valued or substitutable products. In the second part of this research, we investigate how choosing for self versus for others influences consumers' willingness to pay and the choice for bundle over individual items under varying product contingency levels.

The wide use of price bundling in numerous markets highlights the importance of investigating the factors influencing the perceived attractiveness of a price reduction. To gain a better understanding of the perceived attractiveness of a price reduction in a bundling context, it would be managerially relevant to rely on parameters that are common among consumers and closely tied to the nature of the products offered, therefore being directly influenced by the firm. Based on mental accounting theory (Kahneman and Tversky, 1984), we propose that due to the perceived interrelationships among products, applying the same price bundling strategy will differentially influence the attractiveness of the promotion across product contingency levels (see Bonini and Rumiati, 1996; 2002; Sheng et al., 2007). In the third part of this research, we examine how contingency levels of the products included in a bundle and the price reduction format (i.e., dollars versus percentage off) influence 1) consumers' perception of the price reduction attractiveness in a mixed-leader (where the price reduction is applied to one of the bundled items only) versus mixed-joint (where the reduction is assigned to the total price of the bundle) price bundling strategy, 2) the minimum discount value required to positively influence consumers' purchase intentions, and 3) the effect of the price of the discounted item on the perceived attractiveness of the price reduction (in a mixed-leader context).

In sum, this research aims at contributing to the bundling literature through a theoretical investigation of the impact of product contingency level on consumers' evaluation of bundles over individual items in product bundling and on the attractiveness of a discount offered in price bundling. Both product and price bundling are examined from the consumer's standpoint across various levels of product contingency. First, a theoretical framework describing how product bundling influences consumers' willingness to pay a surcharge for the bundle over individual items, thereby affecting their choice for bundles over individual products across varying products contingency levels, is proposed. Additionally, we examine how the number of items included in the bundle and the adoption of same versus different brands for bundled products influence consumers' willingness to pay for the bundle and bundle choice, across products contingency levels. Second, the impact of purchase situation (i.e., purchasing for self or for others) on consumers' willingness to pay a surcharge for the bundle and bundle choice likelihood over individual items is explored. Third, the impact of products' contingency levels in a bundle (inherently related to product bundling) on the perceived attractiveness of a price reduction is investigated under both mixed-leader and mixed-joint promotion (an added value intrinsically related to price bundling).

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RESPONSE LATENCY VERIFICATION OF CHILDREN'S CONSUMPTION CONSTELLATIONS

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ABSTRACT

Individuals group together products, brands and services based on social stereotyping, thereby forming consumption constellations. For example, people may believe that those who drive Saabs may also be likely to wear tweed, drink Heineken, read National Geographic, and enjoy experimental theater, whereas people who drive Ford pick-up trucks may be likely to wear Wranglers jeans, drink Budweiser, read People magazine, and enjoy country music. Although these examples may seem somewhat offensive because of their obvious stereotypical nature, these consumption constellations have been demonstrated to exist in the minds of adult consumers (Lowrey, Englis, Shavitt & Solomon (2001), and are often exploited by marketers in cross-promotional efforts.

Although consumption constellations have been well documented among adult consumers, we know very little about if and when children develop consumption constellations. Only one study in consumer research has examined consumption constellations in children (Davis 2000). That study found that age appears to be a good predictor of how well children understand and use stereotypical consumption constellations in making inferences about product ownership among different occupational groups. A number of questions remain unanswered, such as: What developmental factors precipitate the understanding of consumption constellations? Are there differences in consumption constellations formed by younger versus older children or children versus adults?

We know that children's memory is script-based—they organize information in their memory, based on usage situation (Krackow & Gordon, 1998). For example, an athlete drinks water, stretches, and wears sneakers. In a sense, consumption constellations involve organizing information based on scripts. The purpose of this research is to determine whether children also group products together in stereotypical fashion, and if so, at what age these consumption constellations begin to appear. To achieve this end, the current study was designed as a conceptual replication of the Lowrey et al. (2001) study of adult consumption constellations, using 8- to 12-year old students as participants, in an effort to see whether children also have consumption constellations structured similarly to those of adults'.

Our results indicated that not only are children as young as 8 capable of forming consumption constellations, but their consumption constellations are also similar to those of adults'. For instance, similar to adults, children's response latencies (i.e., time to press a key on the computer) are faster when the stimulus is an aspirational product (i.e., product with which one wishes to be associated) than when it is an avoidance product (i.e., product with which one does not wish to be associated). Thus, our data strongly suggest that aspirational constellations (i.e., groupings of products that typify a group to which one wishes to belong) are better understood by children than are avoidance constellations (i.e., groupings of products that typify a group to which one does not wish to belong).

To explore possible age-related differences in children's consumption constellations, we developed three novel measures suitable for a children's sample. For the first measure, we asked participants to create a collage for a familiar social role (e.g., doctor; mom; teacher) using pictures/labels of products and brands that they believe the person owns. For the second measure, we asked participants to complete a picture matching task. The final exploratory measure was an aided thought listing task, also designed to assess age related differences in children's consumption constellations. For each task, participants were informed that there were no right or wrong answers.

Overall, results of our exploratory measures revealed two age-related differences in children's consumption constellations. First, consumption constellations constructed by younger children (8 year-olds) were less complex than those of early adolescents (12 year-olds). Specifically, younger children used more concrete (e.g. boy; glasses; tall) and less abstract descriptions (e.g., brands; personality traits). In addition, younger children used fewer total descriptions in their constellations while early adolescents used more descriptions to create a larger, more complex constellation for each social role. More importantly, younger children used fewer consumption related ideas (e.g., brands; products) to describe a social role than early adolescents. Thus, there appears to be dramatic changes in the complexity of individuals' consumption constellations between the ages of 8-12.

Second, we found age differences in the general "cohesiveness" of individual descriptions within a child's consumption constellation. In other words, we found that early adolescents used more descriptions that "go together" (e.g., doctor—big house, man, nice, smart, rich, BMW, wears a tie) while younger children had more disjointed descriptions in their consumption constellations (e.g., doctor—small house, mean, short, rich, sweatshirt). Taken together, our research reveals dramatic changes in individuals' consumption constellations between middle childhood and early adolescence. By early adolescence, individuals' consumptions constellations resemble those of adults' in size, complexity and cohesiveness. Importantly, our results suggest that adults' consumption constellations are likely to be formed by as early as 12 years-old.

Our investigation makes several contributions. First, our work provides an initial glimpse into how children's consumption constellations develop with age and when they begin to resemble those of adults. Understanding children's consumption constellations will help parents and educators understand how marketers may attempt to indirectly influence children's decisions and attitudes. Second, we successfully replicate Lowrey et al.'s (2001) work using a children's sample. This replication shows that children as young as 8 years-old store products and brands in their memory in stereotypical fashion similar to adults. Finally, our research with children may benefit marketers and consumer researchers in understanding the consumer behavior of other populations that may experience similar consumer socialization to children such as new members of a culture or subculture.

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ASSESSING THE EFFECTS OF EXTRAORDINARY EXPERIENCES AND SOCIAL IDENTIFICATION ON BIKERS' SUB-CULTURAL VALUES

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ABSTRACT

A subculture of consumption is a “subgroup of society that self-selects on the basis of a shared commitment to a particular product class, brand, or consumption activity” (Schouten and McAlexander 1995, p.43). Members are thought to identify with the subculture to the extent that they internalize subcultural values. A brand community is “based on a structured set of social relationships among admirers of a brand” (Muniz and O’Guinn 2001, p.412).

Members of subcultures of consumption interact in consumption events such as Biketoberfest, a male-dominated event that attracted 200,000 bikers (Daytona Beach Chamber Website 2006). Bikers return annually for social activities including: wet t-shirt and bikini contests, motorcycle races, and custom bike shows. Biketoberfest is an event that produces extraordinary experiences, which may be influential in forming and maintaining consumption communities (c.f. McAlexander and Schouten 1998; McAlexander, Schouten, and Koenig 2002; Muniz and Schau 2005).

Extraordinary experiences are psychological states of being that include peak (Maslow 1961), optimal or flow (Csikszentmihalyi 1990; 1997), and absorbing (Quarrick 1988) experiences. Characteristics describing all three experiences include: happiness, enjoyment, fun, pleasure, involvement, and absorption (Privette and Sherry 1986).

Extraordinary experiences are intrinsically-rewarding and individuals tend to experience integration and personal identity (Privette 1985; see also Dodson 1996). It is hypothesized that extraordinary experiences will reinforce subcultural values in for Biketoberfest participants.

Literature Review

Personal identity includes cognitive attributes unique to the individual. Social identity enables individuals to organize the social environment and define themselves and others in it (Tajfel and Turner 1985; Turner 1985). Through social identification, the individual views himself as psychologically intertwined with the group (Tolman 1943).

Members identify with objects, jargon and rituals, core values, and other members during social interaction at consumption events (Muniz and O’Guinn 2001; Schouten and McAlexander 1995). Identification and internalization of sub-cultural values are expected to be related, but as Mael and Ashforth (1989) explain, it is unnecessary for individuals to internalize subcultural values to identify with the group.

Biketoberfest participants' perceived oneness with the subculture may interact with extraordinary experiences at the event and enhance the strength of belief in core biker values. By testing for the hypothesized moderating influence of social identification, we determine whether Biketoberfest participants' belief in sub-cultural values reflects extraordinary experiences, sub-cultural identification, or a combination of both (see Baron and Kenny 1986).

Methods, Analysis, and Results

Data for the study were collected with a self-report paper survey during Biketoberfest. Approximately 60% of individuals approached completed the survey (n=268). The model consists of three direct paths: two paths from Extraordinary Experiences and Sub-Cultural Identification, and a path from the product of these two variables to Sub-cultural Values (Baron and Kenny 1983). The overall F-test for the model was significant [$F(3, 264)= 9.49, p<.001, R^2=.10$] at the .05 level. Although in the expected direction (+), the path from Extraordinary Experiences to Sub-cultural Values was nonsignificant ($\beta =.09, p=.19$). The significant path from Sub-cultural Identification to values ($\beta =.25, p=.001$). The path from the identification x experiences interaction was also significant ($\beta =.14, p=.02$).¹

Discussion and Implications

This study focused on extraordinary experiences and social identification and how they affect values in a consumption community. When subcultural identification is strong, a members' sense of self becomes congruent with subcultural values. Extraordinary experiences of participants at Biketoberfest were hypothesized to have a direct positive effect on their belief in sub-cultural values. The experiences did not significantly impact participants' belief strength without the interaction with sub-cultural identification. Without member identification, extraordinary experiences are unlikely to be effective in forming and maintaining communities.

Areas for Future Research

The frequency of interaction with the group can affect members' identification (Dutton and Dukerich 1991; Mael and Ashforth 1992). Frequent interaction shapes members' perceptions of their own self identity and their understanding of the beliefs and values of the community (Ashforth and Mael 2001). To evaluate this proposition, a logged variable representing the number of times a participant had attended Biketoberfest was added to the moderated regression model. However, previous attendance was not related ($b=.03, p=.68$) to belief in sub-cultural values.

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¹ The moderation model was also estimated based on the covariance matrix using LISREL 7. The F-statistic for the overall model is $F(3,264)=9.77, p<.001$. Standardized maximum likelihood estimates for the paths are similar in relative magnitude: ($\beta=.08, t=1.39$) for the experiences→values path, ($\beta=.19, t=3.95$) the identity→values path, and ($\beta=.11, t=2.60$) for the interaction path. (Note that a t-value ≥ 1.68 is significant at the .05 level for a 1-tailed test.)

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**THE EFFECT OF PRIOR POSITIVE EXPERIENCE WITH A GROUP
AND VALENCE OF INTERPERSONAL APPRAISALS ON CONFORMITY
AND DISTINCTIVENESS IN CONSUMER DECISION-MAKING**

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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 (Venkatesan 1966). On the other hand, Ariely and Levav (2000) demonstrated the opposite effect, namely, that individuals sought distinctiveness in the presence of others. The goal of the present study is to reconcile these conflicting results. To this end, I propose that whether an individual will conform or seek distinctiveness in a particular consumption situation is contingent on one's prior positive experience of interaction with a group and on the valence of interpersonal appraisals received from other group members. In addition, I suggest that the effects of prior positive experience with a group and interpersonal appraisals on conformity and distinctiveness are stronger when individual consumption decisions are public, that is, when they can be observed by other members of one's group.

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 a group or receive negative appraisals from other group members, 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 create a common identity with and to gain approval by 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 a group or receive favorable interpersonal evaluations, they will be more likely to seek distinctiveness from other group members because in this situation the need to be unique will take precedence over the need to belong.

The results of Experiment 1 yielded support for the interaction effect of prior positive experience with a group and visibility of one's consumption decision on conformity and distinctiveness. As predicted, individuals were more likely to match their choices with the preferences of other group members when they believed that others would become aware of their consumption decisions and they did not have a history of prior positive relationships with a group. Consistent with expectations, the pattern of results was reversed after participants experienced a positive interaction with a group. In this situation, individuals were more likely to make a choice that allowed them to differentiate oneself from the group. The goal of Experiments 2 and 3 is to test the effect of positive and negative interpersonal appraisals on conformity and distinctiveness in consumer decision-making.

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MYOPIC PROCRASTINATION OF POSITIVE EXPERIENCES

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ABSTRACT

Procrastination is common behavior for many of the aversive tasks individuals face on a daily basis. Often, tasks are procrastinated because immediate costs are high while benefits, if any, are remote. For example, a student may procrastinate writing a term paper because the immediate effort is substantial while the payoff (a good grade) is delayed. We propose, however, that procrastination is not limited to aversive tasks and that it can also happen with enjoyable tasks that entail small costs and immediate tangible benefits – in other words, tasks with positive short-run utility. We use the concept of myopic procrastination to describe the behavior we observe for these enjoyable tasks. Myopic procrastination occurs because individuals estimate future costs to be lower than present costs for completing a task; as a result, tasks are delayed for an unspecified future date. The behavior is myopic because individuals fail to realize that they will face the same cost tradeoffs on future dates, and tasks are therefore repeatedly postponed.

One mechanism that may contribute to positive procrastination is biased assessments of future availability. Work on planning fallacies and task intention strength demonstrates that individuals consistently overestimate their ability to complete an aversive task within a specific timeframe (Ajzen 1991; Griffin & Tversky 1992); this may be due to expectations of having more time in the future since we think about the distant future at a higher, more abstract level than the present, as per theories on temporal construal and resource slack (Liberman, Sagristano & Trope 2002; Zauberman & Lynch 2005). When it comes to planning an event, the future often seems like a better time to do it. Unlimited, “open” time windows to complete the task also contribute to this procrastination as we take for granted that the opportunity will always be there. As with other forms of procrastination, constraining the window of opportunity to perform a positive task may moderate the effects (Kivetz & Simonson 2002; O’Donoghue & Rabin 1999).

This work tests the predicted effects of constrained opportunity windows on procrastination of positive experiences among real consumers. In Study 1, surveys were given in public areas in three major cities (London, Chicago, and Dallas) to a total of 198 passing pedestrians who were either visitors or permanent residents. The survey focused on how much time they had been in each of seven international cities (if ever) and which major local landmarks they had visited in each city. Consistent with our predictions, results indicated that visitors with limited time windows typically saw more city landmarks than residents. The average 1-week visitor has seen more than the average resident after 1 year; the average 3-week visitor has seen more than an average resident who lived there 3 or more years. Furthermore, 60% of residents’ visits to landmarks occurred in the presence of out-of-town guests.

Study 2 follows up on Study 1 by investigating landmark visits for *former* residents to see how their behavior compares to the previous results. Fifteen former residents of Chicago voluntarily completed a survey on landmarks they had visited before moving out of the city. Similar to residents, they procrastinated visiting these landmarks for most of their residency, but as their move date approached, they began behaving more like tourists with limited windows. Specifically, 15% of their

landmark visits happened in the final two weeks of residency, consistent with our theory. Additional questions verified that they greatly enjoyed visiting these landmarks (6.6 on 7-pt scale), ruling out procrastination due to lower utility as a counter-explanation for our Study 1 findings.

Study 3 was designed to see whether temporal distance affects individuals' expectations of their future ability to take advantage of a positive experience; participants were asked to imagine that they held a gift certificate that would need to be used before expiration within a one-week timeframe that was set in the near or far future. Consistent with temporal construal theory, respondents in the far future condition had higher estimates of both their free time and ability to use the indulgence before it expired. These respondents also offered less money to extend the life of the certificate. Thus, the results support the prediction that differences in temporal construal may contribute to myopic procrastination by making the far future seem like a more appealing time to complete a positive experience.

Finally, Study 4 brings together aspects of the previous three studies by running a field experiment using gift certificates with short or long expiration dates. A between-subject pretest with a control group found that individuals predicted they would be more likely to use gift certificates with long expiration dates, consistent with the Study 3 findings. However, we expected that actual redemption rates would actually be higher among short expiration date recipients due to the shorter time window, consistent with the behavior of the tourists in Study 1. Contrary to the control groups' higher predicted usage rate for the longer certificate (68% versus 50%), actual usage rates were lower for longer certificates (6% versus 31%), thus supporting our predictions of higher levels of myopic procrastination when timeframes are less constrained. A follow-up survey of participants found high levels of enjoyment among those who used the certificate, high levels of regret among those who did not, and high agreement with the statement that they expected to be able to "do it later".

While previous work on procrastination and biased estimates of task completion times has focused on aversive tasks with long-run benefits, the results of four experiments suggest that individuals also procrastinate activities with immediate positive benefits. We propose that this myopic procrastination occurs because individuals predict that they will have more time to engage in enjoyable activities in the future, without realizing that the future will be equally busy. Furthermore, our research suggests that shorter expiration dates, rather than longer ones, are more successful at encouraging people to indulge and enjoy positive experiences that they otherwise neglect to appreciate.

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BIKINIS INSTIGATE GENERALIZED IMPATIENCE IN INTERTEMPORAL CHOICE

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ABSTRACT**Introduction**

Choice is relatively easy when choice alternatives differ on a single dimension: Individuals generally prefer a larger over a smaller reward, and also, a sooner over a later reward. The choice between a smaller reward available sooner and a larger reward available later is less obvious, because it involves trading off costs and benefits occurring at different times (Frederick, Loewenstein, & O'Donoghue, 2002). Delaying a reward reduces the value of that reward and this delay discounting process may be influenced by visceral factors (Loewenstein, 1996). The bulk of prior research has demonstrated specific motivational effects of desire (e.g., an increase in desire for food, by exposure to food rewards, leads to impatience for food rewards). We hypothesize that an increase in appetitive motivation may instigate *generalized* impatience in intertemporal choice, through a common reward processing circuitry. We propose that exposure to sexy cues leads to a *non-specific* time perspective collapse towards the present. We argue that a greater (sexual) appetite causes a greater urgency to consume *anything rewarding*.

Experiments 1 & 2

In the first two experiments, we found that sexual appetite leads to monetary craving. After exposure to pictures featuring sexy women, men have a heightened preference for immediately available monetary rewards over larger and delayed monetary rewards, than after exposure to pictures with landscapes. This effect was replicated and corroborated in a second experiment: Men have a heightened preference for immediately available monetary rewards after they fondled a bra, than after touching a T-shirt. Thus, sexual cues lead to steeper discounting of money.

Experiment 3

Since erotic stimuli activate the human reward circuitry (Stark et al., 2005), and because sensitivity to rewarding stimuli can vary from one individual to the next (Carver & White, 1994; Torrubia et al., 2001), we hypothesized that the extent to which one is sensitive to rewards moderates the effects of sexual cues on delay discounting of monetary rewards. Only when the reward system is sensitive enough to be activated by sex cues, general temporal myopia should be observed. In a third experiment, we found that men who are highly sensitive to rewards (as assessed with the 'Sensitivity to Reward Questionnaire'; Torrubia et al., 2001) have a heightened preference for immediately available monetary rewards after exposure to a sexy commercial than after exposure to a control commercial. Among men who are less sensitive to rewards, exposure to a 1 min sexy commercial does not give rise to generalized impatience. The effect of sexual cues on impatience in intertemporal choice is thus restricted to individuals with a sensitive reward system.

Experiment 4

In support for the role of a general reward mechanism, we hypothesized that the effect of sexual cues would not be restricted to the monetary domain, but would generalize to all kinds of rewards, such as candy and soft drinks. In a fourth experiment, we found that touching a bra leads to steeper delay discounting of money, candy bars, and soda pops, among men with a sensitive reward system (as assessed with the ‘Reward Responsiveness’ scale; Carver & White, 1994) than among men with a less sensitive reward system. As such, we highlight the role of a general reward system and replicate the finding that the increase in appetite is restricted to men who possess a sensitive reward system. In addition, we demonstrated in this fourth experiment that satiating the induced motivational state attenuated the appetitive response after exposure to ‘hot stimuli’. Monetarily satiated men displayed greater patience than men who were monetarily deprived. In sum, we found that prior fondling of lingerie leads to a heightened preference for immediately available rewards over larger and delayed rewards, but only among men with a sensitive reward system and not after monetary satiation.

Discussion

Our brains include motivational mechanisms designed to ensure that we have sex when the situation is propitious for reproduction, eat when nutritionally deficient, drink when thirsty, and so forth. Prior research indicated that cues commonly associated with opportunities for having sex, lead to an increase in motivation or desire to have sex. For instance, masturbating men report a greater willingness to take morally dubious measures to procure sex, find a much wider range of activities sexually appealing, and report a greater willingness to engage in risky sexual activities (Ariely & Loewenstein, 2006). We demonstrated that this increase in appetitive motivation may emerge in domains that are unrelated to the cues that instigated the increase in appetitive motivation. We showed that exposure to sexy cues leads to a *non-specific* time perspective collapse towards the present: A greater (sexual) appetite causes a greater urgency to consume *anything rewarding*.

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QUALITATIVE SHIFTS IN DECISION MAKING: EFFECT OF THE NATURE OF EXPENDITURE

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ABSTRACT

Analytic decision making involves the careful consideration of costs and benefits before arriving at a decision. This kind of decision making is consistent with the economists' view of a rational choice theory, and is an integral part of various economic models. However, the information-processing approach (Bettman 1979) suggests that decision making might be qualitatively different if decision makers are limited in their capacity to process information methodically (Simon 1955). Our review of the literature suggests that people differ in their capacity to process expenditures of time relative to expenditures of money.

Studying time-money differences in how people consider sunk costs, Soman (2001) shows that while individuals account for past investments of money, they do not do so for time. He argues that people face difficulties in accounting for time because they do not routinely transact in time as they do in money. Although people in some professions (e.g., lawyers) do keenly monitor their time expenditures, most other people are not trained to do so. Consistent with this logic, Soman (2001) finds that accounting for time can be improved by various means such as making a wage rate available, increasing the salience of opportunity costs, or teaching economic approaches to time. However, in the absence of such active steps, people find it difficult to account for time. Beyond lack of transaction experience and training, what seems to contribute to this difficulty with time is its ambiguity. Okada and Hoch (2004) suggest that unlike money which is unambiguous—a dollar is a dollar in all circumstances—the value of time is malleable and cannot be precisely assessed because its use may vary from one situation to another. That is, the value of time is not concrete but open to interpretation. Okada and Hoch (2004) demonstrate that when people spend time (vs. money), they are more prone to rationalizing their expenditures and displaying risk-seeking behavior, because they are not able to accurately assess the opportunity costs of their time. Overall, these findings suggest that temporal (vs. monetary) information is harder to process. Research on decision making suggests that this could lead to qualitative differences in how decisions are formed.

It is well known that if people are limited in their capacity to scrutinize information, they are less likely to be able to identify and process the relevant and important pieces (Alba and Hutchinson 1987), and less likely to analyze the information in order to arrive at a judgment or decision (Ratneshwar and Chaiken 1991). In such situations, instead of continuing efforts to utilize this relevant information, people make a qualitative shift to a different form of decision making in which they rely on heuristics (Payne, Bettman, and Johnson 1993). This idea of relying on cognitive short-cuts instead of a careful analysis of relevant information is also integral to many dual-process models (see Chaiken and Trope 1999 for a review). For instance, in the heuristic-systematic model (Chen and Chaiken 1999), people make judgments based on simple cues or rules of thumb if they are limited in their cognitive ability or capacity to scrutinize judgment-relevant information. Coupling these findings about heuristics being used when information is hard to process, with findings about temporal (vs. monetary) information being hard to process, we predict that people faced with temporal information will rely relatively more

on easy-to-use heuristics. For instance, they will choose the middle of three available options because it is a quick and easily-justifiable compromise solution (Simonson 1989), or they will simply apply an anchor that they have already formed (Tversky and Kahneman 1974).

Our prediction about time-money differences in the use of heuristics is predicated on the idea that accounting is harder to do for time than for money. However, Soman (2001) has demonstrated that people can be encouraged to account for time (e.g., by increasing the salience of opportunity costs) which, in turn, makes them consider time the way they consider money. In line with this, we predict that when accounting is encouraged (vs. not encouraged) for both time and money, the effect of heuristic use being higher for time than for money, will weaken. This will happen because encouraging accounting for time will facilitate the consideration of temporal expenditures and, therefore, reduce the reliance on heuristics, whereas encouraging accounting for money will have no influence because monetary expenditures are anyway considered carefully.

Finally, if encouraging accounting for time leads to a deliberate analysis of temporal expenditure rather than the use of a heuristic, people will take longer to arrive at a decision. This increase in response time will occur because analytic processes consume more time than heuristic processes (De Neys 2006). In contrast, encouraging accounting for money will not change response times because people anyway engage in an analysis of monetary expenditure.

Three experiments support the above predictions and the underlying process. Our results add to a growing body of work on time-money differences (Leclerc et al. 1995; Okada and Hoch 2004; Soman 1998; Soman 2001, Zauberaman and Lynch 2005) by demonstrating that a qualitatively different form of decision making—relying on quick and easy heuristics rather than an analysis of the available information—gains prominence when one works with time rather than money. We also add to research on decision making. Reliance on heuristics is known 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). Our finding that the nature of the expenditure can also lead to changes in decision making is an important contribution to this stream. This effect of expenditure is especially significant for the field of consumer psychology because the activity of spending constitutes an integral, if not defining, characteristic of what we mean by a consumer.

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MUSICAL INTELLIGENCE: EXPLICATION, MEASUREMENT, AND IMPLICATIONS FOR CONSUMER PSYCHOLOGY

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ABSTRACT

Numerous studies have examined influences of music on consumers (Bruner 1990; Hargreaves & North, 1997). On the basis of field theory (Lewin, 1951), however, one might argue that musical properties provide only half the picture. Reactions to music should depend upon the joint interplay of musical traits and those of individual listeners. This paper seeks to contribute to consumer psychology by proposing a *consumer musical intelligence* construct, by identifying antecedents of the construct, and by developing and validating a scale to measure this important trait.

Consumer Musical Intelligence

Although a common view is that musical talent is rare, it is not unusual to see some level of this trait in everyone. However, many different terms have been used to describe this musical trait, including musicality, musical talent, musical ability, and musical capacity (Murphy, 1999). As such, measurement of musical skill has posed definitional challenges among psychometricians (Shuter-Dyson & Gabriel 1981). We argue in what follows that: consumer musical intelligence is *a multi-faceted construct whose core components comprise the capacity to feel the emotion expression in music, to respond to musical stimuli, and to understand the music in a discerning manner.*

Musical Intelligence and Sub Dimensions

Gardner (1985) argues for multiple, relatively independent forms of intelligence, with separate underlying psychological processes – musical intelligence being one of them. Our theorizing has led us to propose three factors underlying consumer musical intelligence (CMI).

Affective Musical Intelligence is the extent of spontaneity and intensity with which people identify with emotional content in music. It is no revelation that music affects moods (Bruner, 1990). Yet, music that moves some to tears might leave others untouched. Further, emotion seems the broadest, most basic outcome engendered by music (Meyer, 1956), requiring the least musical competence for detection regardless of the extent of musical training (Hevner 1935).

Behavioral musical intelligence is the extent of semi-conscious motor reactivity to musical stimuli. Some stop to notice a melodic elevator chime and move on with a bounce in their gait; others are oblivious to the soundscape. This propensity to display unselfconscious behaviors is a second defining component of musical intelligence.

Cognitive musical intelligence constitutes the efficiency of the processes in the perception, encoding, and recall of musical information and is perhaps the most studied. (Pfleiderer 1967). Consider

that whereas some individuals cannot remember a sequence of five tones immediately after exposure, the conductor Toscanini was said to have memorized all the works he conducted.

Although these facets share a common core and feed off one another, they can also operate independently. For example, it is possible to understand music without reacting emotionally, just as it is possible to “get” a joke without laughing (Sloboda, 1985, p. 2-3). Thus, the complexity of musical intelligence is better captured as a multi-faceted construct.

Method

The goal of this research is to develop and validate a Consumer Musical Intelligence (CMI) scale for use in future research in marketing and consumer psychology. To this end we begin by generating items to represent the domains of the construct in accordance with standard measurement protocol (Churchill, 1979). Next, using a sample of two-hundred sixty-four respondents (n= 202 business majors; n=62 music majors; 164 males, 100 females), we test aspects of the scale’s validity using the Anderson & Gerbing (1988) paradigm. Finally, we generate and test a set of hypotheses concerning theoretic antecedents of CMI to demonstrate the performance of the proposed measure in a nomological network.

Consistent with this broad construal of CMI, we do not seek to develop an instrument to make fine-grained differentiations among highly trained musicians; but, rather, to capture a continuum with a large least count. We generated thirty items in consultation with other experts in music, followed standard protocol (Churchill 1979; Churchill & Peter 1984), ensuring adequate representation of the domain and refined this list to sixteen items based on face validity (see Table 1).

Results

The 16-items were designated *a priori* to load on three distinct factors. After confirmatory factor analysis and refinement, a final model with eight indicators was adopted (see Table 1).

Construct Validity

First, a comparison across competing abstractions with items loading on single vs. three facets indices indicate, a significant incremental fit, supporting the tri-faceted conceptualization. Further, none of the 2σ confidence intervals of the correlations between the facets include 1.0, thus evidencing discriminant validity (Anderson and Gerbing 1988).

To ascertain the generality of the measurement model (Byrne, 1988), factor invariance, loading invariance and covariance matrix structure invariance were progressively examined across gender and majors. The factor structure and loading structure were found to be invariant across these groups indicating the stability of the measurement model. This was followed by the simultaneous evaluation of the measurement and structural model to assess the nomological validity of the CMI measure. Rival conceptual models were compared via chi-square difference tests (Byrne, 1998). Antecedent constructs were operationalized and purified per Anderson and Gerbing (1988) and the structural model estimated. The goodness of fit statistics suggest that the data fit the model well, thus evidencing nomological validity for the focal facets.

Our sample includes music majors (n=62) whose MI can be reasonably assumed to be higher than that of business majors (n= 200). The facet scores obtained by summing the respective indicants were subjected to a MANOVA by the major (business/music) factor showed music majors to have significantly higher MI on all facets thus evidencing the discriminating ability of the scale.

Conclusion

Although studies in marketing and consumer psychology have examined influences of music in many contexts (Bruner 1990), the issue of individual differences in relation to music has not been fully explored (Rentfrow & Gosling, 2003). We address this gap by proposing a measure of consumer musical intelligence that appears to meet important psychometric criteria for construct validity.

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TABLE 1: Items representing Consumer MI

	Item	Mean	SD	Δ_{initial}	Δ_{final}
Affective MI					
1	I feel uneasy if someone performs off- key	3.13	1.45	0.83	-
2	I feel uneasy if someone performs off- beat	3.35	1.41	0.83	0.64
3	I have been moved to tears while listening to music	3.11	1.58	0.57	-
4	I have often experienced euphoric feelings while listening to music	3.45	1.41	0.75	0.83
5	I get upset if some one disturbs me while I am listening to music	2.62	1.22	0.62	0.69
Behavioral MI				Δ_{initial}	Δ_{final}
6	I tend to stop and notice sounds like an elevator chime or a ring tone	3.28	1.27	0.77	0.85
7	I tend to stop and notice any rhythmic sound pattern such as the whirr of a printer	3.08	1.34	0.83	0.95
8	I often hum or whistle tunes to myself	3.81	1.16	0.67	-
9	I make efforts to seek out good music	4.07	1.04	0.73	-
10	I make extra effort to attain sophisticated musical taste	3.22	1.35	0.77	-
Cognitive MI				Δ_{initial}	Δ_{final}
11	I can recall the original music even if I hear a version on another instrument	3.49	1.26	0.81	0.80
12	I can easily tell the difference between original version and an adaptation	3.44	1.21	0.78	-
13	I can categorize music by styles or genre	3.77	1.14	0.70	0.72
14	I can predict the next sequence in an unfamiliar music, after hearing the first part	3.13	1.29	0.80	0.77
15	I can easily differentiate between major and minor keys	2.76	1.5	0.79	-
16	I can easily recognize the logical structure underlying a musical composition merely by listening to it.	2.60	1.3	0.82	-

Final model fit: $\chi^2_{(17)} = 18.47$ ($p > 0.35$); RMSEA = .02; AGFI = .96

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**GENERATIVITY AND ITS EFFECTS ON ATTITUDES TOWARD THE AD (Aad),
ATTITUDES TOWARD THE PRODUCT (Ap), AND PURCHASE INTENTIONS:
AN EXPLORATORY STUDY**

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Abstract

So far, marketing research has failed to empirically investigate the impact of generativity—defined as adults’ concern for, and commitment toward, the next generations—on consumer behavior. This article first reviews the concept of generativity on the basis of extant social psychology literature. Postulated effects of generativity on attitudes toward the ad (Aad), attitudes toward the product (Ap), and purchase intentions according to generative positioning are derived and then tested through an experimentation.

Introduction

The well-being of future generations is and has always been a crucial concern in any society. Reflecting this preoccupation, a number of organizations have been promoting the benefits that their brands, products, or causes can provide for the generations that will follow. This is true in the private sector, as exemplified by luxury watchmaker Patek Philippe’s slogan: “Begin your own tradition.” Such positioning is also found in communication by the public sector; for instance, the Energy Star program communicates energy efficiency as necessary for the well-being of those who will follow—“Protect our environment for future generations” (Energy Star 2007)—as opposed to other benefits such as a lowering energy bills.

Despite the many instances found daily in marketing communication, the concept of generativity is widely under-researched in marketing, a blatant contrast with what can be found in the social psychology literature (e.g., McAdams, 2006; Peterson 2002, 2006). Generativity is defined as “an adult’s concern for and commitment toward the next generations [involving] a host of other activities that aims to leave a positive legacy of the self for the future” (de St. Aubin, McAdams, and Kim 2004, p.4). In marketing, very few articles have explicitly investigated the topic. In theoretical articles, Hodge (2003) proposed that generativity should correlate with philanthropic actions while Urien (2003) proposed that generative behavior should be a result of consumers’ anxiety toward death. The purchase of so-called end of life products was suggested by Urien (2003) as an example of a generative action aiming to counter or cope with anxiety in the perspective of one’s imminent death. In a rare empirical research on the topic, Giacalone, Paul, and Jurkiewics (2005) showed that generativity was a significant predictor of consumer sensitivity to corporate social performance. To our knowledge, however, no other empirical research has specifically addressed the impact of generativity in the more general context of consumer behavior.

Yet the purchase of goods and services dedicated to one’s descendants—that is, a legacy—as well as causes, products and services that help preserving the environment all present a generative character. It seems thus reasonable to expect that generativity should affect consumer response toward these products, and that more research should be done in order to validate the effects of the inclusion of

generative components in advertising and their interaction with consumers' own personal level of generativity. Such studies could provide essential input for marketers, both in the private (e.g., long lasting products) and public sectors (e.g., public policy campaigns).

In this regard, this article reports an exploratory study investigating the effects of generativity on attitudes toward the ad (Aad), attitudes toward the product (Ap), and purchase intentions toward products positioned or not as generative. We first review the academic literature on generativity in order to derive our conceptual framework and research propositions. The methodology to explore these research propositions is then provided, followed by results and a discussion on the implications, limitations, and avenues for future research.

Conceptual Development

Generativity in Social Psychology

In the literature, generativity has been presented either as an urge, a drive, a motivation, or a need (Erikson 1963; Browning 1975; Kotre 1984). The concept of generativity initially took root in Erikson's (1950) theory of the life span of human development according to which generativity is "primarily the concern in establishing and guiding the next generation" (Erickson 1963, p.276). In Erikson's conception, each stages of life can be viewed as a number of crises one must resolve between achieving good (e.g., through generativity) or not (i.e., stagnation). After developing a sense of identity and intimacy, humans reach a stage in which they either become ready to commit themselves toward youth and future generations, or they don't.

Kotre (1984) also proposes two different generative modes, or motivational tendencies: communal and agentic. Within communal generativity, individuals have a propensity to relate to others in a loving and caring way. Within agentic generativity, individuals are more focused toward their own selves and exhibit the need to exert a lasting influence over time. Later on, McAdams, Ruetzel, and Foley (1986) as well as Peterson and Stewart (1993) showed that highly generative people present a combination of both agentic and communal modes.

McAdams and de St. Aubin (1992) brought a rich theory of generativity which consists in 7 psychosocial features. One of them, Inner Desires, is seen as the ultimate motivational source that combines symbolic immortality (Kotre 1984; McAdams 1985) and the "need to be needed" (Stewart, Frantz, and Layton 1988, p.56). Symbolic immortality, a motivational expression of agency, is a generative way to defy death by leaving an enduring trace behind. The Need to be needed, a communal motivational manifestation, refers to the desire to nurture and to assist others.

Various measures have been proposed to assess generativity (e.g., Self-report scales, Clinical Self-rating, Simple Self-rating, Q-sort ranking, Content analysis). Following those instrumental measures, numerous relationships between generativity and personality dispositions have been established. For example, generativity was strongly related to nurturance, as well as to self-absorption, although more weakly (Van de Water and McAdams 1989). Generativity was also associated with extraversion, openness to new experiences, achievement, affiliation, dominance, nurturance, agreeableness, and (negatively with) neuroticism (de St. Aubin and McAdams 1995). As well, generative women manifested a more pro-social personality and exhibited more dominance, empathy, and tolerance (Peterson and Klohnen 1995).

Hints of Generativity in the Marketing Literature

Despite the virtual absence of generativity in the marketing literature, at least explicitly, marketing research also conducted studies that illustrate similar phenomena, reflecting either communal (i.e., participation in a community), or agentic generativity (i.e., the need to exert a lasting influence, beyond human life). In the gift-giving marketing field, Price, Arnould and Curasi (2000) showed that old consumers seek to achieve, among other motivations, symbolic immortality while considering the disposal of cherished possessions. The Need to live on has been presented as a specific motivation of legacy transmission (Sargeant and Hilton 2005). Gladden, Mahony, and Apostolopoulou (2005) found that donations to college sports teams were motivated by the need to give back to the community as well as by the need for recognition. In addition, following Belk's (1988) perspective—according to which products should be considered as extensions of the self, as breeders of identity—, leaving possessions to later generations could be seen as extending one's self beyond death. Stevenson and Kates (1999) share this opinion in their study on last gifts and according to which “the giver may immortalize himself or herself in memory” by finding the right home for its cherished possessions (p.114).

Green marketing also brought research that explored a convergent phenomenon. Bagozzi and Dabholkar (1994) showed that consumer's pro-environmental behaviors are driven by both egoistic (i.e., agentic) and altruistic (i.e., communal) goals, with altruistic goals prevailing. Another study demonstrated that benefits of environmental actions are perceived as having consequences in today's world, but more importantly in the future (Lee and Holden 1999).

Research Questions

Considering the vast body of research in the field of behavioral and social psychology, and as extant literature in marketing suggests, we anticipate that generativity is likely to exert an influence on consumer behavior in a number of ways. Given the already wide use of generative positioning in product marketing, one crucial aspect to be investigated first appears to be the effect of such a positioning on consumer behavior and, more specifically, the effect of its coherence with individual levels of generativity in consumers. As indicated by Belk, Bahn and Mayer (1982), many studies have shown that consumers seek congruence between their own self-image and the products and brands they buy (e.g., Birdwell 1968, Ross 1971). According to Sirgy (1982), self-congruence positively affects attitudes toward products: the higher the congruence with what a product projects and the image that consumers maintain about themselves, the more favorable their attitudes toward the product. In this logic, we propose to investigate the following two research questions: (1) What are the effects of a generative positioning on attitudes toward the message (Aad), attitude toward the product (Ap), and purchase intentions? (2) As suggested by Sirgy (1982), is there an interaction effect between generativity at the individual level and the generative positioning of a product?

Methodology

To investigate our research questions, we developed fictitious advertisements for two product categories: watches and solar panels. These product categories were selected to reflect either potential agentic generativity—leaving a watch as inheritance would enable one to be remembered beyond death—or communal generativity—producing power from a renewable source would link with one's perceived responsibility toward preserving the environment for the next generations. Two advertisements for one fictitious brand were developed in each category to be exactly identical except

for the inclusion (or not) of a generative slogan: for the watches, “You never actually own an Ellipse Watch: you merely look after it for the next generation,” and for the solar panel, “A smart way to preserve the environment for the next generations.”

The dependent variables were attitude toward the ad (Aad), attitude toward the product (Ap), and purchase intention. Aad was measured using a three-item (bad/good; uninteresting/interesting; not enjoyable/enjoyable), seven-point semantic differential scale (Cronbach alpha = .907). Ap was assessed using a five-item (bad/good; dislike/like; negative/positive; unfavourable/favourable; unsatisfactory/satisfactory), seven-point semantic differential scale (Cronbach alpha = .959). Purchase intentions were measured using a two-item, seven-point differential scale (Cronbach alpha = .865). Generativity was measured using an adaptation of McAdams and de St. Aubin’s (1992) Loyola Generativity Scale (LGS)¹ on a seven-point differential scale, with 7 meaning high generativity. A total of 11 items were used, including such items as “I think that I will be remembered for a long time after I die” or “I feel as though I have made a difference to many people” (Cronbach alpha = .830).

The survey was administered by three graduate students to 302 respondents through a mall-intercept procedure in the Canadian city of Montreal. Participants were also offered a chance to win a \$200 gift certificate following completion of the survey. The study was introduced to respondents as an academic study interested in their perceptions about different new products. Nineteen questionnaires were rejected for incompleteness of either dependent variables or LGS measurements, yielding a final sample of 283 respondents (132 males and 150 females (1 unspecified)) aged 18 years and older (median age group = 26-35).

One at a time, the questionnaire exhibited the two products, for which respondents were asked to complete measurements for dependent variables. All of the participants were exposed to one advertisement with a generative slogan and one advertisement without, the first advertisement showed being the one without a generative slogan. Evaluation of products was followed by measures of socio-demographics and of the Loyola Generativity Scale.

Results

Mean generativity in our sample was 4.945 (Median = 5.091) and ranged from 1.909 to 7.000 (with 1(7) meaning low (high) generativity). Two thirds (65.4%) did not have children and 64.5% were aged 18-35 years. Fifty-one percent reported a yearly household income below \$50,000, and 20.7% had at least a bachelor’s degree. Finally, some 38.9% of our sample were legally married or had been married at some point.

The Consumer Generativity and Generative Message Fit and its Effects on Aad

To assess the differences in consumer responses to advertisements with various levels of generative content, we ran separate analyses of covariance (ANCOVAs) in both product categories we investigated. Consumer attitudes toward the ad was set as the dependent variable and three independent variables were introduced in both models: the presence (absence) of a generative slogan was introduced as a fixed factor, respondent generativity was set as a covariate, and we introduced a generative slogan \times respondent generativity interaction term in both models.

¹ The LGS, a measure of individual generative concern, is the most commonly-used measure nowadays.

In the watch product category, the presence of a generative slogan had the least influence on Aad. A second model excluding this factor was then computed. As Table 1 shows, this second model revealed that respondent generativity interacted with the generative slogan in forging respondents' attitudes toward the ad ($p < .001$). The respondent's level of generativity also significantly affected consumer attitudes toward the ad ($p < .05$).

Analyses in the solar panel product category revealed different results. The generative slogan \times respondent generativity interaction term was not significant in the first computed model. Through a backward elimination process, both this interaction term and respondents' level of generativity were eliminated. The final model showed significant improvement over previous models. As Table 1 shows, this third model revealed that only the presence of a generative slogan affected respondents' attitudes toward the ad ($p < .001$).

Table 1.
Consumer Generativity and Generative Slogan Effects on Aad (final models)

Source	Watches			Solar Panel		
	F	Sig.	Part. η^2	F	Sig.	Part. η^2
Corrected Model	10.239	.000	.085	14.598	.000	.059
Intercept	31.189	.000	.124	2,216.267	.000	.905
Generative Slogan (GS)				14.598	.000	.059
Respondent Generativity (RG)	4.042	.046	.018			
GS \times RG	16.671	.000	.070			

The Consumer Generativity and Generative Message Fit and its Effects on Ap

To assess the differences in consumer responses to products following generative positioning (or not), we again ran separate analyses of covariance (ANCOVAs) in both product categories we investigated. Consumer attitudes toward the product were set as the dependent variables and the three same independent variables as before were introduced in both models: the presence (absence) of a generative slogan in the advertisement was introduced as a fixed factor, respondent's level of generativity was set as a covariate, and we introduced a generative slogan \times respondent level of generativity interaction term in both models.

In the watch product category, the presence of a generative slogan did not exert a significant influence on Ap. A second model excluding this factor was then computed. As Table 2 shows, this second model revealed that respondent generativity interacted with the generative slogan in forging respondents' attitudes toward the product ($p < .001$). As in the case for Aad, the respondent's level of generativity also significantly affected consumer attitudes toward the product, although only marginally ($p < .10$).

Analyses in the solar panel product category revealed that the presence of a generative slogan had no significant impact on Ap. In the second computed model, respondents' level of generativity failed to significantly influence Ap, while the generative slogan \times respondent level of generativity interaction term did. As Table 2 shows, this third model revealed that only the interaction of respondent

level of generativity with the presence of a generative slogan significantly affects respondents' attitudes toward solar panels ($p < .001$).

Table 2.
Consumer Generativity and Generative Slogan Effects on Ap (final models)

Source	Watch			Solar Panel		
	F	Sig.	Part. η^2	F	Sig.	Part. η^2
Corrected Model	21.567	.000	.164	18.138	.000	.135
Intercept	76.832	.000	.259	108.797	.000	.319
Generative Slogan (GS)						
Respondent Generativity (RG)	3.040	.083	.014			
GS \times RG	40.408	.000	.155	18.138	.000	.135

The Consumer Generativity and Generative Message Fit and its Effects on IB

To assess the differences in consumer intentions to buy (IB) products according to their generative positioning (or not), we followed the same methodology as before and ran separate analyses of covariance (ANCOVAs) in both product categories we investigated. Consumer intentions to buy the product were set as the dependent variables and the three same independent variables as before were introduced in both models: the presence (absence) of a generative slogan in the advertisement was introduced as a fixed factor, respondent's level of generativity was set as a covariate, and we introduced a generative slogan \times respondent level of generativity interaction term in both models.

In the watch product category, the presence of a generative slogan failed to exert a significant influence on IB. A second model excluding this factor was then computed. As Table 3 shows, this second model revealed that respondent generativity interacted with the generative slogan in forging respondents' attitudes toward the product ($p < .001$). As in the case for Aad and Ap in this product category, the respondent's level of generativity also significantly affected consumer attitudes toward the product ($p < .01$).

Analyses in the solar panel product category revealed that the presence of a generative slogan had no significant impact on IB. As Table 3 shows, this second model revealed that the interaction of respondent level of generativity with the presence of a generative slogan significantly affects respondents' attitudes toward solar panels ($p < .001$). Respondents' level of generativity also directly influenced IB in this category ($p < .05$).

Table 3.
Consumer Generativity and Generative Slogan Effects on Intentions to Buy

Source	Watch			Solar Panel		
	F	Sig.	Part. η^2	F	Sig.	Part. η^2
Corrected Model	22.285	.000	.168	6.938	.001	.056
Intercept	12.419	.001	.053	15.277	.000	.062
Generative Slogan (GS)						

Respondent Generativity (RG)	7.107	.008	.031	4.871	.028	.021
GS × RG	37.934	.000	.147	8.876	.003	.037

Discussion

This study demonstrates the relevance of generativity in consumer behavior studies. Indeed, the results show a significant main effect of generative positioning on Aad, Ap, and purchase intentions. Furthermore, findings suggest that fit between respondent generativity and generative positioning have an even greater impact on Aad, Ap, and purchase intentions for both watch and solar panel (the only exception concerning Aad for the solar panel).

This exploratory study has shown the effect of generativity within a consumer context. It also illustrates the interest for marketers of adopting such a strategy of generative positioning. Furthermore, research should focus on the effectiveness of generative positioning regarding behavior in a social context, like the preservation of the environment.

The limitations of this study concern, in particular, the use of only two products. Further research should assess whether these findings hold in other product categories. Another limitation pertains to McAdams & de St. Aubin's (1992) LGS and its use in a consumer context. Our exploratory study reveals a poor scale internal consistency and highlights the need to develop a new scale entirely dedicated to consumer generativity.

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HOW ACTIVATED IDEAL-SELF AND OUGHT-SELF IMPACT THE EFFECT OF STYLISTIC PROPERTIES ON PERSUASION

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ABSTRACT

Recently, there has been a steady increase in the study of stylistic properties of visual images. Stylistic properties refer to a variety of factors that impact the manner in which visual material is displayed, such as camera angles, the cropping of images in ads, the orientation (e.g., vertical, diagonal) of objects displayed in a scene, as well as various other production elements (Peracchio and Meyers-Levy 2005). This stream of research has demonstrated that the persuasion power of an ad definitely goes beyond the copy itself. Researchers have suggested that visual images often convey semantically meaningful concepts that impact consumer judgments via their stylistic properties (Messaris 1997).

The visual aspects of the ad play a critical role in eliciting consumer attitude toward the ad and the advertised brand. To explain, viewers often attribute greater potency and efficacy to objects that are depicted using a particular stylistic device. For example, a low camera angle seemingly causes the viewer to “look up at” the object depicted in a visual image. This attribution of greater power and performance to such objects may be due to viewers’ experiences with those they literally “look up to.” For example, young children must look up to view an adult.

Despite the amount of research that has been conducted in this area, little research has examined the effect of self-concept in determining the interpretation of these stylistic properties. For instance, would an upward-looking camera angle always depict positive connotations to all consumers? How would self-concept activated at the time of ad exposure affect the meaning of these stylistic properties conveyed to the consumers? In this paper, we examine whether activated ideal-self and ought-self could moderate the effect of one specific stylistic property – camera angle.

In this paper, we find that when a downward- looking, high camera angle is utilized, consumers reported more favorable brand evaluations if their ideal-self is temporarily accessible. Conversely, when an upward-looking, low camera angle is utilized, consumers reported more favorable brand evaluations if their ought-self is temporarily accessible. These results suggested that for consumers whose ought-self is activated, they tend to pick up the subtle visual cues associated with status more than those consumers whose ideal-self is activated. Accordingly, the traditional wisdom that an upward-looking angle is more favorably processed by people should be more pronounced for these consumers. For consumers whose ideal-self is activated, a downward-looking angle may enhance persuasion.

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**CONSUMING FOR A CAUSE OR A CAUSE TO CONSUME?
HOW CAUSE-RELATED CONSUMPTION OPPORTUNITIES INFLUENCE CONSUMER
BEHAVIOR & WELFARE**

Special Session Chair:
Lisa Cavanaugh, Duke University

Discussion Leader:
Steve Hoeffler, Vanderbilt University

INDULGING FOR THE SAKE OF OTHERS

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ABSTRACT

This paper examines the effects of consumer emotion on the consumption of social-cause-related hedonic goods. We propose and test a theory whereby the consumption of hedonic goods can be justified due to their link to social causes, even under circumstance where they would otherwise not be consumed. Three studies demonstrate when consumers are more likely to indulge for the sake of others. Our findings show that contrary to existing research, wherein guilty individuals reduce the consumption of hedonic goods (Zemack-Rugar, 2008), guilty individuals actually increase said consumption, using the association with social causes as an excuse to justify this indulgence.

Researchers recognize that cause-related marketing efforts satisfy not only organizational but also important individual objectives (Varadarajan and Menon 1998). Research further suggests that consumers may respond differently to cause-related products depending on a variety of factors including customer-corporation identification (Lichtenstein and Drumwright 2004), cause-brand fit (Pracejus and Olsen 2004; Basil and Herr 2006), and product types (Strahilevitz and Myers 1998). However, little is known about how consumers might use charitable consumption in different emotional states and as an emotion-regulation tool.

Although prior research has shown that charity-associations increase luxury consumption (Strahilevitz & Myers 1998), we question whether this effect is true for all consumers in all situations. In particular, we focus on the effects of a specific negative emotion (guilt) and the consumption of hedonic products associated with charity. We show that increases in consumption occur only under certain emotions, charity types, and for certain individuals. We argue these differences are driven by emotion-regulation needs. Thus, this research adds to the understanding of how consumers use goods not only for practical but also for emotional needs.

Existing research demonstrates that guilty individuals reduce the consumption of hedonic goods (compared to neutral) as an emotion regulation tool. Specifically, they do so because these goods are seen as self-rewarding, inappropriate, and further guilt-inducing (Bybee 1998; Zemack-Rugar 2008). Moreover, this pattern is stronger for high guilt-prone individuals, that is—those individuals most likely to link avoiding reward to guilt (Tangney et al. 1992).

In a series of three studies, we examine whether guilty people may sometimes *increase* their consumption of hedonic goods via the attachment of social causes. We expect an increase in consumption of charity-associated hedonic goods by high guilt prone, guilty individuals will occur for two reasons: (1) a tendency of guilty individuals to utilize actions that are “socially-beneficial” as a justification for their indulgence, and (2) a tendency to use the contribution to the social cause as an emotion regulation tool. These two reasons lead to a sharp increase in hedonic consumption. This increase is not expected to occur for neutral individuals, who have no emotional motivation to increase consumption of these goods. Small increases may occur to the degree they view the addition of a charity as a positive attribute of the product itself, but these increases will not be linked to any individual characteristic.

Across studies participants are induced with either a neutral or guilty emotion and are asked to choose between a utilitarian and hedonic product that are either associated/not associated with a charity. In study one, we conducted a 2 (Emotion: Guilty/ Neutral) x 2 (Product associated with charity/Not) between subjects experiment with an added factor of Guilt-proneness (measured). Participants first completed an emotional story telling procedure (guilty/neutral) and were then asked to allocate a \$50 gift certificate (which they were eligible to win) between a gift certificate for CD/DVDs and one for Office supplies (items pretested; CD/DVD considered hedonic). In the charity affiliation condition, participants were told that a portion of proceeds from the CDs/DVDs benefited a local children’s charity; in the no-charity no such association was given for either product.

As predicted, we found a three-way interaction of emotion, charity affiliation, and guilt-proneness wherein guilty consumers indulged *less* than neutral ones when no charity was associated with either product. However, this pattern *reversed* when the indulgent option was associated with a charity. Notably, this pattern of results emerged only for high-guilt prone participants, i.e., those most likely to experience stronger guilt, seek more actively to regulate it, and to associate the alleviation of guilt with pro-social behaviors (Tangney et al. 1992).

In study two we replicated these results using a real choice with an immediate effect—an “on the spot” choice between chocolate cake and fruit salad. In the charity condition, participants were told that a portion of proceeds from the chocolate cake benefited a charity; in the no-charity condition no such affiliation was given to either product. Once again, we found a three-way interaction of emotion, charity affiliation, and guilt proneness with the same pattern as study one.

Note that while guilty individuals tend to consume less hedonic products (when high in guilt-proneness), they tend to value these products as equally tempting and appealing as their neutral counterparts (Zemack-Rugar 2008). Thus, we predict that the consumption of hedonic products will increase for guilty individuals even when the charity is not one that is particularly liked or credible. This will occur because guilty individuals are looking for an excuse to allow themselves to indulge in tempting products without feeling badly about it. For this purpose, any charity will do. Conversely, neutral individuals will view a disliked or non-trustworthy charity as a negative attribute and will reduce consumption of the product.

In study three, we show that consumption of a hedonic product associated with a disliked charity is *increased* by guilty individuals but *decreased* by neutral individuals, as compared to a liked charity. This pattern is strongest for high-guilt prone individuals and those that particularly dislike the charity. In study four, we examine the effect of a low credibility charity on these consumption patterns. These results support the idea that guilty individuals will use the charity as an excuse to indulge, even when it is a relatively poor excuse.

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GIVING BECAUSE IT HURTS: WHEN PAINFUL FUNDRAISING INCREASES CHARITABLE GIVING

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ABSTRACT

Philanthropy has turned into a competitive business in which firms (charities) compete to sell their products (prosocial contributions) to consumers (donors). The field of consumer psychology can therefore make important contributions to the study of charitable giving, particularly in the domain of fundraising. How we design charity fundraisers depends largely on which theory of human motivation and choice we adopt. Many theories, and lay intuitions alike, assume that making a task more painful and effortful should decrease its appeal. The implication, then, is that to maximize participation and contributions, fundraisers ought to be easy and enjoyable for donors. In contrast, we provide novel evidence that the prospect of pain and effort can promote charitable giving.

Across a series of experiments, participants reported a greater willingness to help a friend raise money for a charitable cause when their donations were going to be associated with her suffering. Specifically, participants were willing to donate more money when the friend was going to experience pain to raise money than when the fundraising process was easy or even enjoyable for her. In our first two studies, participants considered a scenario involving a friend who asks them to donate to a charitable cause she cares about. Participants reported that they would donate more when their friend was going to suffer to raise money for the charity (e.g., by running ten miles) than when her fundraising experience was neutral or even enjoyable. We show that this “martyrdom effect” (Olivola & Shafir, 2008) is not due to reciprocity norms, a feeling of pity, or inferences about her dedication to the cause. These studies also show that willingness to donate increases only when participants’ donations are directly associated with their friend’s suffering, otherwise the effect disappears. Additional studies showed that this paradoxical effect of pain and effort could not be explained by vicarious dissonance or vicarious self-perception theory, nor by social norm perceptions or an attribute substitution heuristic process. We also present data that we collected from actual charity fundraisers, which provide real-world evidence that people raise more money for a charitable cause the more they suffer for it. Implications and applications of these findings are considered.

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DO CONSUMERS INTUITIVELY BELIEVE THAT ETHICALLY SUPERIOR PRODUCTS ARE FUNCTIONALLY INFERIOR? EXPOSING AN UNDERLYING CAUSE OF INCONSISTENCIES BETWEEN ETHICAL VALUES AND PURCHASING BEHAVIOR

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ABSTRACT

Although consumers frequently profess support for products positioned as more environmentally or socially responsible, the marginal market success of these products suggests that there is a barrier preventing consumers' professed values from being fully reflected in their purchasing behavior. This barrier is important because it impedes the success of ethically responsible companies and the subsequent environmental and social change that would accompany greater market success of ethically superior products. Our work suggests that there is a discrepancy between many consumers' explicitly stated inferences and their latent intuition about the functional performance of ethically superior products. Although many consumers report that they believe in a positive relationship between product ethicality and functional performance, our research demonstrates that consumers overall share a belief that product ethicality comes at the expense of functional performance. Importantly, however, through identifying potential sources of the intuition, we demonstrate that there are strategies firms can employ to attenuate and even overcome the latent belief that more ethical = less functional.

The primary objective of experiment 1 was to determine whether consumers subscribe to the more ethical = less functional intuition we propose. To test for this intuition, we measured participants' expectations about product performance for ethically superior versus relatively less ethical products. We also measured the importance of the relevant ethical issues to participants because we expected consumers who care about the ethical issues to be unlikely to admit, to themselves and/or to others, that they expect ethical products to not perform as well as other products. In this experiment, participants were given information about a laundry detergent's performance; specifically the detergent's rating from a hypothetical "Ethical Product Council" for its performance along a series of ethical attributes. These ratings (1 = "poor," 5 = "average," 10 = "superior") served as a manipulated, between-subjects independent variable. Participants were then asked to infer the detergent's functionality based on its ethicality. In this inference task, the rated importance of the ethical issues moderated the more ethical = less functional intuition, $F(1, 178) = 4.26$, $p < .05$. Only those participants who found the issue less important showed a negative relationship between ethicality and rated functional performance. We believe that this interaction is due to the conflict inherent in admitting that ethicality decreases functional performance: Participants who placed less importance on ethical issues had no real conflict to resolve and were free to explicitly make inferences consistent with the more ethical = less functional intuition that we propose.

The primary objective of experiment 2 was to determine whether a projective inquiry technique would expose the predicted intuition among participants overall, regardless of their ratings of ethical issue importance. To do so, we asked participants to articulate the likely inferences that the average person would make (vs. their own inferences) about the detergents used as stimuli in experiment 1. We expected participants to project their belief that more ethical = less functional onto the average person, and our results were consistent with this expectation. We found a three-way interaction between point of view, ethical issue importance, and ethicality, such that participants who provided ratings on behalf of the average person rated the ethically superior product as having lower functional performance regardless of ethical issue importance, while the responses of participants who provided ratings based on their own beliefs were moderated by issue importance in the same manner as in experiment 1. Experiment 2 thus provided evidence that once the pressure of conflicting goals (e.g., the desire to present an ethical self vs. the desire to make accurate judgments) is mitigated via a projective technique, participants will reveal that they have an intuition that ethically superior products have lower functional performance.

The objective of experiments 3a and 3b was to identify and manipulate a potential source of the more ethical = less functional intuition. Using open-ended surveys in experiment 3a, several potential sources of the intuition were identified. In an effort to identify boundary conditions for the effect of the intuition, we focused on one of these potential sources to explore in a subsequent study: the belief that ethically superior products are not the norm in the marketplace. Therefore, in experiment 3b, we manipulated which of two detergents varying in ethicality (average vs. superior) was identified as the norm in the market (by reporting market share). We also again manipulated point of view (rating for the self vs. an “average” other) and measured ethical issue importance. The dependent variable was relative preference for the two detergents.

Consistent with our expectations, preferences depended on the interaction of the norm manipulation and the participant’s point of view, $F(1, 133) = 17.0, p < .0001$, such that when the ethically superior product was perceived to be a niche product (i.e., not the norm), participants in the “other” condition chose the product with average ethicality over the product that was ethically superior. Importantly, when the ethically superior product was perceived to be the norm, choice within the “other” condition flipped towards a preference for the ethically superior product. Consistent with experiment 2, ethical issue importance moderates preferences in the self but not in the other condition. These results suggest that to the degree that firms with ethically superior products can manage the perception that their products are the norm, they may be able to increase the relative preference for their products despite competing inferences about product functionality based on the product’s ethicality. Additional analyses also showed that in the “other” condition, the effect of the norm manipulation was mediated by a perception that the product that was the norm had superior cleaning ability (Sobel $p = .02$). This mediation result supports our assertion that it is possible to improve both the perceptions of the functionality of ethically superior products, as well as relative preference, by manipulating other determinants of perceived functionality, such as whether a product is perceived to be the norm in its respective category.

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THE EFFECT OF MINDSETS ON CONSUMER SELF-REGULATION AND CHOICE

Special Session Chairs:
Anastasiya Pocheptsova, Yale University
Gergana Y. Nenkov, Boston College

Discussion Leader:
Elizabeth Miller, Boston College

MINDSET OVER MATTER: THE INTERPLAY BETWEEN GOALS AND PREFERENCES

Anastasiya Pocheptsova, Yale University
Ravi Dhar, Yale University

ABSTRACT

Imagine two consumers: both are equally health conscious and enjoy running. While one is deliberating whether or not to go running later this week, another is deciding when and where to run. Next, imagine both consumers are deciding between a very tasty but unhealthy snack and a very healthy but less tasty snack. Given that both consumers have running on their mind, who is more likely to prefer a healthy snack?

Research on goals demonstrates that people evaluate options based on active goals, whereas most choice research typically ignores the goals and mindsets that people bring to the choice situation. The present paper tries to bridge this gap by examining how mindsets related to the background goal interact with a subsequent choice task to influence preferences. In four studies we find that the effect of mindsets activated by a prior task on preference in a subsequent choice task is qualified by the nature of the relationship between the product and the background goal. In studies 1a and 1b, we find that for the same background goal activated by the mindset manipulation, an implemental mindset decreases preference for product that interferes or conflicts with this goal as compared to a deliberative mindset. We also show that an implemental mindset leads to increased preference for a product, when a product is seen as facilitating an achievement of the background goal (studies 2a and 2b). Such difference between the two mindsets is driven by differential level of commitment to the background goal (study 3). A higher level of goal commitment leads to stronger facilitative and inhibitory links within the goal system and mediates the influence of mindsets on preferences.

Finally, we extend our findings to a real choice setting. Because the choice task is the focal task and requires a conscious comparison of options, Simonson (2005) has argued that it is not clear a priori that an active mindset would carry over to the preference task. In study 4, we show that an implemental mindset leads participants to favor an option that facilitates the pursuit of the background goal over the option that interferes with it. In reference to our opening example, these results suggest that the consumer who was thinking about when and where to run would be less likely to choose an unhealthy snack than a consumer who was deliberating whether to run this week.

Taken together, these findings extend our knowledge of the role of background goals and goal-related mindsets on consumer preferences. Since consumers frequently pursue multiple goals, our research shows that those goals and mindsets continue to exert influence on preferences, even when they become background factors to the focal choice situation.

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THE EFFECTS OF DECISION STAGE-RELATED MINDSETS AND GOAL FRAMING ON CONSUMER GOAL PURSUIT AND CHOICE

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ABSTRACT

The main question examined in this paper is whether considering why one should achieve a goal (high-level goal framing) rather than how one can achieve it (low-level goal framing) might differentially affect consumers' pursuit of this goal. In three studies we examine the interactive effects of decision status-related mindsets (deliberative vs. implemental) and goal framing (high- vs. low-level) on several self-regulatory domains: goal commitment, anticipated effortful goal pursuit, and choice.

In three studies we examine the moderating role of consumers' decision stage-related mindsets on the relative effectiveness of high- vs. low-level goal framing. In study 1 (n = 127) we trace how the relative effectiveness of high- and low-level goal framing changes as consumers go through the different stages of decision making. We find that consumers who are in a pre-decision mindset are more likely to enroll in a personalized fitness program when the program advertisement is framed in terms of high-level goals (why you should exercise effectively) vs. a low-level goal (how you can exercise effectively). However, the participants who chose to enroll in the program and were in a post-decisional mindset, proceeded to include significantly more exercise options in their personalized program when the options were described using low-level goal framing rather than high-level one.

In studies 2 and 3 we experimentally activate deliberative and implemental mindsets (Gollwitzer 1990) to examine whether mindsets moderate the effectiveness of high- vs. low-level goal framing. In study 2 we ask participants to evaluate and choose between two *Smart Start*[®] brand cereals – positioned in terms of the same focal goal – to obtain nutrition, but framed in terms of high-level goal framing (“HEALTHY HEART: For a long and healthy life”) vs. low-level goal framing (“ANTIOXIDANTS: with Antioxidants A, C, and E, and Beta Carotene”). Results revealed that participants in a deliberative mindset, as compared to participants in an implemental mindset, are significantly more likely to choose the high-level goal cereal. Our third study examines the relative effectiveness of the activation of high- vs. low-level framed goals on subsequent goal commitment and intention for effortful goal pursuit. The study employs a 3 (mindset: deliberative, implemental or control) x 2 (goal framing: high- vs. low-level) between-subjects experimental design. Results revealed that in the deliberative (implemental) mindset

condition high-level (low-level) goal framing leads to significantly more goal commitment and more effortful anticipated goal pursuit than low-level (high-level) goal framing.

Findings from this paper suggest that consumers' decisional status, i.e., how far they are from making a decision, affects their receptiveness to persuasive messages and thus has important implications for the design, presentation, and communication of consumer products, persuasive messages, and public education campaigns targeted at improving consumer decisions and behaviors.

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SWITCHING MINDSETS EXHAUSTS SELF-REGULATORY RESOURCES

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ABSTRACT

One of the most enduring assumptions in psychological theory is that people often have multiple, redundant mental states that allow them to solve the same types of problems in different ways. These mental states, broadly referred to as mindsets, consist of sets of activated mental processes that result in a general disposition or readiness to respond in a certain manner. Some of the most prominent recent psychological theories are based on the idea that, in a given situation, activating one of these mindsets more than the other (or others) can change the preferences people construct, the judgments they form, the decisions they make, and the satisfaction they have with the outcomes.

The set of theories that assume people have multiple mindsets is extremely diverse, but they have several common elements. One assumption these theories tend to make is that people tend to have two or more mindsets available to them, and that when prompted by task demands or implicit primes, they can switch from one mindset to the other. Even in cases where culture or personal predisposition favor the chronic activation of one mindset, situational cues can prompt individuals to switch to the less-used mindset. Although these theories generally rest on the assumption that people are able to switch between mindsets, very little research has investigated the downstream consequences of this switching. Put another way, although there is widespread belief that people can switch between mindsets, there has been very little investigation into *how* this switching takes place, and the possible costs of switching mindsets.

In this research, we propose that switching mindsets is an act of self-regulation and, as such, is governed by the same psychological mechanism that accounts for other acts of self-regulation. Recent research suggests that disparate acts of self-control (e.g., restricting emotional displays, concentrating on a task, resisting temptation) utilize a common executive resource. It has been proposed that there is a finite supply of this self-regulatory resource upon which to draw. Each act of self-regulation consumes some of this resource, leaving a smaller pool of resources to be used in subsequent attempts at self-

regulation. Although this resource replenishes with time, it can easily be depleted in the short term, leaving individuals vulnerable to failures of self-control.

We argue that switching between any qualitatively different mindsets also consumes precious self-regulatory resources. We test this prediction by using a two-task paradigm previous used to test self-regulatory depletion. In the first phase of all our reported experiments, some individuals perform a task that requires them to switch back and forth between different mindsets, while others will perform a substantially similar task that does not require switching mindsets. In the second phase, individuals will perform some task that requires persistence or concentration—in other words, something that requires the expenditure of self-regulatory resources. If, as we propose, switching between mindsets can lead to depletion, we should expect to find that individuals who had to switch mindsets perform worse on the second task.

We test this prediction in a series of three experiments. Experiment 1 shows that participants switching between abstract and concrete mindsets were subsequently willing to consume less of a healthful, but unpleasant tasting drink than participants who maintained a single mindset. In the second experiment, participants performed a task that either activated a promotion or a prevention mindset or a task that required switching between the two. Participants who switched between mindsets did not persist as long on an impossible puzzle. Experiment 3 found that participants who maintained either a locomotion or an assessment mindset were later better able to stifle external displays of emotion than participants who switched between locomotion and assessment mindsets.

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LAUGHTER IS THE BEST MEDICINE: THE USE OF HUMOR IN THREAT ADVERTISING

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ABSTRACT

Threat advertising, i.e., advertising that presents a threat as part of its persuasive appeal, is used for many products, services and causes, such as anti-smoking, pharmaceuticals, home alarm systems, life insurance, and condom use. Such advertising has traditionally used a threat-information format, which presents a threat and then provides information about the threat-alleviating benefits of the advertised brand (Anand-Keller and Block 1996; Fisher and Fisher 1992; Morris and Swann 1996). For example, anti-smoking ads often emphasize the threat of lung cancer, ads for pharmaceutical products highlight medical problems, highway safety films show the horrific consequences of driving drunk, and insurance ads depict the dangers of not being covered when disaster strikes. A key assumption underlying this threat-information format is that presenting a threat motivates consumers to approach brand information in the ad, since the brand represents a potential solution to the threat. In contrast, we show that individuals display avoidance when intensity of the threat is high; and that humor can reduce avoidance, hence increasing the persuasive effect of threat advertising. Further, we show that the persuasive effect of humor in threat advertising is magnified when individuals encounter mixed (i.e., both positive and negative) information about the brand during post-advertising search.

The above hypotheses were confirmed in two studies, which manipulated threat intensity and humor in different ways, and measured avoidance and persuasion using a range of outcome measures. Study 1 manipulated threat intensity by varying vividness of the threat of skin cancer, and manipulated humor via a cartoon strip in an ad for sunscreen lotion. Avoidance was measured by reading time of the ad and message elaboration; persuasion was measured by attitude towards the advertised brand of sunscreen lotion. As predicted, increasing humor improved persuasion for the high threat intensity ad but not for low threat intensity ad, and this interaction of humor and threat intensity was mediated by reduction in avoidance responses to the ad. Further, the effect of humor on persuasion was magnified for those participants who were exposed to mixed information, i.e., both positive and negative information, about the brand during post-advertising search. Study 2 manipulated threat intensity by varying the severity of consequences of threat, and was also designed to increase the strength of the humor manipulation. Avoidance was assessed with the previous measures, as well as a new measure of perceived vulnerability to threat. Persuasion was measured by attitudes, as well as actual choice behavior towards the advertised brand of sunscreen lotion. Again, as hypothesized, humor improved persuasion outcomes only in the high threat intensity condition, and this interaction was mediated by reduction in avoidance responses to the ad. We discuss theoretical implications of our results for processing of threat-related information, and practical implications for design of effective threat advertising.

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**THE IMPACT OF POSITIVE PERIPHERAL PICTURES ON PERSUASION:
PSYCHOPHYSIOLOGICAL PATHWAYS AND BOUNDARY CONDITIONS**

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ABSTRACT

This study examines the psychophysiological mechanisms of the persuasive impact of positive peripheral pictures on consumers in stressful contexts. For recipients under stress, positive peripheral pictures in threat-related communication alleviated psychophysiological stress responses and enhanced persuasion by turning physiological arousal from a negative impact into a positive influence on attitude.

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SPREADING SUPPRESSION: HOW FEAR APPEALS INHIBIT THE PROCESSING OF THREAT-RELATED BRAND ADVERTISING

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ABSTRACT

Fear appeal communications are widely used by marketers as a tool to help influence consumers' intentions, attitudes, and behavior in the context of maladaptive consumption behavior. An implicit, and sometimes explicit, assumption in fear appeals research within this framework is that threat information is only effective in inducing attitudinal and behavioral change if the message recipient believes that she is able to perform the threat-averting action proposed by the fear communication (Ruiter et al. 2004). When this perceived efficacy is high, participants are likely to engage in danger control processes and actively seek to cope with the danger. However, when perceived efficacy is low participants are expected to engage in fear control processes which have primarily been thought of as maladaptive as they may lead to, among other things, message denial.

Through two experiments we demonstrate, however, that fear appeal messages that initiate fear control motivations may result in positive outcomes through the automatic suppression of stimuli related to the threat. In the context of drinking and driving prevention we demonstrate that exposing consumers to a fear-based "don't-drink-and-drive" public service announcement decreases their performance on a reaction-time task featuring drinking-related stimulus words (experiment 1) and reduces the likelihood that they will process drinking-related brand advertisements in a consumer magazine (experiment 2). These findings broaden our current understanding of fear appeals by investigating whether and under what conditions fear communications may affect the processing of concepts that are semantically associated with the threat.

In addition, we demonstrate that fear control processes influence perceived vulnerability to the threat specified in a fear appeal; a key variable for predicting intentions and behavior (Cody and Lee 1990). Combined, these findings extend our current understanding of fear control responses which to date have received minimal attention in the fear appeal literature due to the perception that fear control responses yield only negative outcomes (Ruiter et al. 2001). In contrast to this perspective, we show positive outcomes from fear control responses - suppression of threat-relevant brand advertising and increased perceived vulnerability to the threat.

Last, but not least, the studies reported here provide an important contribution to our understanding of suppression effects as they relate to both fear appeals and negative priming. Specifically, fear appeal research has provided evidence for suppression of the threat itself, but not of semantic associates; the negative priming literature has relied on explicit instructions to ignore a stimulus to show suppression of semantic associates, whereas we propose a stimulus-based response to the fear appeal itself to initiate spreading suppression.

Prior research has demonstrated the direct link between alcohol advertising and excessive alcohol consumption, estimated a direct impact of reduced alcohol advertising on the reduction of binge drinking (Saffer and Dave 2006) and finally a greatly increased likelihood of alcohol-impaired driving

among those who report to participate in binge drinking (Quinlan et al. 2005). Hence, although neither alcohol consumption nor alcohol advertising in themselves are bad, there are significant public health benefits to influences that reduce or counter the impact of alcohol advertising to at-risk populations, such as those effects investigated in this article.

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THE ROLE OF SPONTANEOUS ATTITUDE FORMATION IN DUAL PROCESS MODELS OF PERSUASION

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ABSTRACT

Several streams of research seek to explain how and when attitudes are spontaneously formed. Most of these models suggest that consumers generally desire to form attitudes and do so via a dual processing system. Dual-process models of persuasion assume that attitudes are formed spontaneously or naturally regardless of which route to persuasion consumers follow. Spontaneously-formed attitudes are generated on-line as judgment-relevant information is encountered, and occur without the potentially biasing influence of exposure to attitudinal queries. Because spontaneously-formed attitudes occur naturally, they are more likely to generalize to other contexts and are more likely to influence related judgments and behaviors. By contrast, non-spontaneous, prompted, or measurement-induced attitudes are formed only in response to questions that instigate evaluative processes that would not have been initiated in the absence of direct questioning. Such attitudes are unlikely to generalize to other contexts or to influence related judgments or behaviors.

The present research questions the assumption that attitudes are formed spontaneously regardless of which route to persuasion consumers follow. We also question the assumption that the peripheral/heuristic/system 1 route is the more common route or the default route to persuasion. In addition, this research investigates the conditions that are likely to lead to spontaneous attitude formation and examines the consequences of these attitudes.

The distinction between spontaneous versus non-spontaneous attitude formation is based on the assumption that people may not always generate an attitude about an object the moment it is encountered. Forming an attitude spontaneously requires consumers to reflect on and integrate information and knowledge bearing on the attitude object. The functionality hypothesis suggests that consumers are likely to perform these cognitive activities only when they expect the resulting attitude to facilitate performance on a future judgment or choice task.

Experiment 1 was designed to examine the effects of accuracy motivation and the need to evaluate on spontaneous attitude formation. It was predicted that consumers would be more likely to follow the central route to persuasion and that the functional utility of attitudes would be greater and more likely to induce spontaneous attitude formation when accuracy motivation or the need to evaluate was high rather than low. Experiment 2 was designed to extend the generalizability of the results of Experiment 1 to a different marketing context (internet website homepages) using a different peripheral cue (web page hit rate or site popularity) and using cognitive load to manipulate which route to persuasion consumers are likely to follow. Finally, Experiment 3 was designed to extend the findings of Experiments 1 and 2 by examining actual differences in choice behavior as a result of the timing of attitude formation (i.e., spontaneous, previously constructed, or not yet formed). Experiment 3 also employed another unique peripheral cue context, namely stimulus name, size, and shape. Further, the

experimental design was constructed such that different peripheral cues are available at product presentation and consolidation task versus time of choice.

The results of three experiments show that, contrary to the assumptions of the major dual-process models of persuasion, spontaneous attitude formation does not occur invariably across effortful and non-effortful processing conditions. Instead, consumers form attitudes spontaneously, without prompting, only when they expect the functional benefits of holding an attitude toward a particular issue to outweigh the costs of construing and integrating the implications of information and knowledge bearing on the issue (the functionality hypothesis). Spontaneous attitude formation is more likely when high issue relevance, due to high accuracy motivation or a high need to evaluate, increases the perceived benefits of following the central route to persuasion to form an attitude of high validity (Experiment 1). Spontaneous attitude formation is also more likely when cognitive load is low and when multiple task demands are unlikely to interrupt to process of construing and integrating attitude-relevant information and knowledge (Experiment 2). Furthermore, only spontaneously-formed attitudes exert a powerful influence on other related judgments and behaviors (Experiment 3). Considered together, the three experiments provide strong support for the functionality hypothesis and little support for the automaticity hypothesis. Our data suggest that it is not processing ease that is a more important determinant of spontaneous attitude formation (automaticity), but rather it is the functional benefits of possessing an attitude toward a given topic that determines spontaneous attitude formation (functionality).

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**NONCONSCIOUS AFFECT: THE INFLUENCE OF IMPLICIT ATTITUDES
ON CONSUMER CHOICE WHEN CONFRONTED
WITH CONFLICTING PRODUCT ATTRIBUTE INFORMATION**

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ABSTRACT

The goal of this research is to deepen our understanding of how messages, images, and stimuli in the environment can influence the behavior of consumers without their awareness. The issues that form the core of the present research –the role nonconscious affect (defined as affective associations that are formed without awareness) plays in shaping brand attitudes and choice and the distinction between implicit and explicit measures of attitude – are issues that have recently received theoretical and empirical attention in the social psychology literature (e.g. Greenwald & Banaji 1995; Wilson, Lindsey, & Schooler 2000).

Despite research supporting the idea that feelings play an important role in our daily life (e.g. Pham 2004), there remains a general belief that in consumer decisions, attribute information is more important than affective associations. Yet consumers often face the situation in which the decision between two brands is difficult to make. To create this situation in the lab, implicit attitudes toward two hypothetical pens are formed using an evaluative conditioning procedure which did not depend on contingency awareness. This procedure is used to create a negative implicit attitude for one pen and a positive implicit attitude for the other. After the target pens are conditioned, participants then acquire attribute information about the pens such that the pen with the negative implicit attitude has more favorable product attribute information than the pen that is positively conditioned. This allows us to test the relative influence of nonconscious affect versus conflicting product attribute information on consumer choice.

In the first experiment, in some conditions participants are encouraged to form an explicit attitude at the time the product attribute information is presented, while others are given a nonevaluative goal to discourage spontaneous attitude formation. Subsequently, participants are required to choose between the two fictitious brands of pens. Opportunity to retrieve attribute information from memory is varied at choice. The results indicate that if the participant forms an explicit attitude based on product attribute information they tend to choose the pen with the more favorable product attributes. However, if they did not form an explicit attitude they based their choice on their implicit attitude even under conditions of high opportunity to retrieve relevant product information from memory. While our results are suggestive of implicit attitudes being more influential than previously theorized, it is possible that implicit attitudes based on nonconscious affect may only influence behavior when individuals are not motivated to engage in effortful retrieval.

To determine whether increased levels of motivation would override nonconscious affect and cause participants to select the pen with the more favorable attributes, we conducted a second experiment in which we included increasing levels of motivation. If a lack of motivation is the explanation for the findings in experiment 1, we should find increased motivation leads to lower levels of choice of the positively conditioned brand. We also wanted to obtain a better understanding of the

process involved in making a choice under these conditions. While the time spent making a decision is an indication of the amount of thought that occurred, it does not provide any insight into the type of thought which occurred – therefore we had our participants complete thought protocols after choice.

In the second experiment we find that increasing levels of motivation did not affect the results – the majority of participants still select the pen with the more favorable implicit attitude when the brands have been conditioned. In contrast, participants in the control condition (brands were not paired with positive or negative images) overwhelmingly choose the pen described by the more favorable attributes over the pen that is positively conditioned. We report some preliminary evidence suggesting that nonconscious affect may have influenced more than just the liking for the brand – it may have shaped the importance of attributes in the product category. For instance, in a pretest when participants were asked to list the product benefits they consider important when purchasing pens, over 90% of the benefits listed were utilitarian (e.g. amount of ink). However, in this experiment our thought protocols show that when participants have formed nonconscious affect towards a brand and have not formed an explicit attitude based on product attribute information, they list more hedonic benefits (e.g. image) than utilitarian benefits. We suggest these findings imply that nonconscious affect may have altered the attributes participants consider important when making a choice.

We know that consumers are often unaware of the actual stimuli that influence their decisions and we also know that implicit and explicit attitudes predict different behaviors. However, the processes that underlie these effects are far less understood. We use evaluative conditioning as a framework to guide our research and provide evidence that implicit attitudes based on conditioning that occurs below awareness can influence choice behaviour even when product attribute information clearly favors a different brand. Contrary to current theoretical models of persuasion, we found that increasing levels of motivation and opportunity at retrieval was not motivation enough for participants to reevaluate their feelings toward the target brands and influence their choice of brand. Furthermore, these findings provide the first evidence that we are aware of that nonconscious affect can influence not just attitudes and choice but also influence the basis for choice while remaining below the threshold of awareness. This is particularly noteworthy given that conditioning effects have been theorized to be weak (Petty & Cacioppo 1981) and as demands on our time become more complex, it has been proposed that affective influences will play a greater role (Forgas 1995). Therefore understanding the effects of nonconscious affect and implicit attitudes on consumer decisions becomes even more important.

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THE IMPACT OF REGULATORY FOCUS ON THE EFFECT OF TWO-SIDED ADVERTISING

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ABSTRACT

Research suggests that, in some cases, it is beneficial to use two-sided communication and to mention product shortcomings besides product advantages (e.g., Crowley & Hower, 1994; Etgar & Goodwin, 1982; Pechmann, 1992). The advantage of two-sided advertising, however, seems to be limited to certain circumstances (Crowley & Hower, 1994; Pechmann, 1992). The main objective of the current research is to examine whether the concept of regulatory focus might help understanding the conditions under which two-sided advertising has positive effects on the evaluation of products. In particular, we tested whether two-sided advertising is less effective for prevention-focused individuals than for promotion-focused individuals.

Some of the heterogeneous results about the effectiveness of two-sided ads can be explained if we bear in mind that while two-sided messages may enhance the credibility of an ad, they also contain negative product-related information. The product shortcomings that are mentioned might cancel out positive effects of credibility, which might explain why only a few studies found effects of two-sided ads on the evaluation of the products.

To understand effects of two-sided advertising, it is important to get more insights into the factors that determine the impact of the negative features mentioned in two-sided ads. Generally, the impact of negative features on judgments and decisions should depend on the specific goals people pursue. For example, for someone with the goal of consuming a very delicious ice cream, the taste of the ice cream may be more important than the calories. In contrast, for someone with the goal of avoiding calories, the taste might be less important than the caloric content. Besides specific goals, more general motivational orientations – such as the regulatory focus of individuals – also influence which information individuals consider relevant for their judgments and decisions.

According to regulatory focus theory (Higgins, 1998), judgments and behavior are regulated by two distinct motivational systems: promotion and prevention. When the promotion system is active, the presence and absence of positive outcomes is important to the individual, and judgments and behavior are regulated relative to these positive outcomes. When the prevention system is active, negative outcomes serve as reference. Recent research has shown that regulatory orientations have an important impact on consumer perceptions and judgments (Chernev, 2004; Florack & Hartmann, 2007; Wang & Lee, 2006). Promotion-focused individuals highlight desired properties of a product and those that are related to approaching positive outcomes. In contrast, prevention-focused individuals are more likely to seek information related to the product's shortcomings and to product-related features that do or do not help them avoid negative outcomes.

Since two-sided ads contain information related to a negative outcome, it can be assumed that prevention-focused individuals rely not only on the enhanced credibility of the ads, but also on the

evaluation of the ad content when judging a product after the presentation of two-sided ads. In contrast, for promotion-focused individuals the content of two-sided ads should be less relevant and they should base their product judgment more on their spontaneous affective response (cf. Florack, Scarabis, & Gosejohann, 2005; Pham & Avnet, 2004), which might be significantly driven by the enhanced credibility of two-sided ads. Indeed, research has shown that promotion-focused individuals are particularly likely to base their judgments on affective responses to an ad or product (Florack, Scarabis, & Gosejohann, 2005; Pham & Avnet, 2004).

In two experiments we examined the predicted moderating impact of the regulatory focus on the effects of two-sided advertising and tested hypotheses about processes that are believed to underlie the regulatory focus effects.

In Experiment 1, we measured the 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 evaluated the advertised product. We averaged the dependent measures for the three ads. 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 2, we applied a priming procedure to induce a promotion or prevention focus and examined whether a primed regulatory focus moderates the effect of two-sided advertising the same way chronic regulatory focus does. In addition, we tested predictions about the processes underlying the regulatory focus effects. Research has shown that promotion-focused individuals rely predominantly on their affective response to an ad and often disregard substantive information of the ad content (Florack et al., 2005; Pham & Avnet, 2003). Therefore, we assumed that the enhanced credibility of two-sided ads is a major driver of the positive effects of two-sided ads on product evaluations in promotion-focused individuals. Furthermore, we predicted that prevention-focused individuals rely more than promotion-focused individuals on ad content. The results provided support for the predictions. First, the results of Experiment 1 were replicated. In the promotion focus condition, but not in the prevention focus condition participants evaluated the products more positively when two-sided ads were presented than when one-sided ads were presented. As expected, the positive effect of the two-sided ads was mediated by the ad credibility in the promotion focus condition. Furthermore, we found a higher correlation between the evaluation of the content of the two-sided ad and the evaluation of the product for prevention-focused participants than for promotion-focused participants.

To sum up, the present experiments demonstrated that two-sided advertising is more likely to enhance product evaluations for promotion-focused than for prevention-focused recipients. The reported results suggest that this difference is mainly driven by the differential reliance on the mentioned shortcomings, which makes a positive net effect of two-sided ads more likely for promotion-focused recipients than for prevention-focused recipients.

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**WHEN MORE IS LESS:
SCOPE AS A MODERATOR OF THE ENDOWMENT EFFECT**

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ABSTRACT

The endowment effect is the well-known demonstration of loss aversion in which those endowed with the item consistently demanded nearly twice as much for the item as the non-endowed group was willing to pay. Kahneman et al. (1990) demonstrated the robustness of the endowment effect in a series of studies in which half of participants were given an item that they might sell for some price (willingness to accept, WTA) and the other half of participants were given the option to purchase the item for some price (willingness to pay, WTP). Sellers and buyers rarely agreed in their offers.

This effect is explained by the fact that sellers feel greater pain of loss when they sell their endowed object than buyers feel giving up their money. Some have shown, for instance, that sellers focus on the *object* they will lose while buyers focus on the *money* they will lose to obtain the object (Ariely et al. 2005; Carmon and Ariely 2000). People feel more attached to the object than the money and consequently loss aversion has been explained by emotional attachment to items (Ariely et al. 2005; Carmon et al. 2003; Dhar and Wertenbroch 2000; Strahilevitz and Loewenstein 1998).

Interestingly, emotions can affect valuation of objects as magnitudes change. For instance, Hsee and Rottenstreich (2004) found that participants in an emotional mindset showed “scope insensitivity”; they were sensitive to the presence or absence of a stimulus, but were insensitive to further variations in magnitude; participants essentially overreacted to the first instance of a stimulus. However, participants in a calculative mindset were more linearly sensitive to changes in magnitude than their emotional counterparts.

We suspect that differential sensitivity in response to feelings may have a moderating role in the endowment paradigm. Sellers focus on the object (and the emotional pain of losing it) while buyers focus on the money they would have to pay (which they are less attached/emotional about). If sellers take a more emotional view than buyers, we would expect an exaggerated valuation at low quantities, but less so for higher quantities of an endowed item. Because buyers’ low-quantity valuations are not colored by emotion, their willingness to pay will increase linearly with scope. As a result, at large quantities, the endowment effect could be muted or reversed.

In three studies, we document this moderation. All of the studies revealed the usual WTP-WTA endowment effect when participants evaluated a single item. However, this pattern was moderated by scope. In one study, participants were allowed to either buy or sell chocolates. The number of chocolates that participants were allowed to buy or sell constituted the scope manipulation. The mean WTP in the high scope condition (five chocolates) was about three times greater than that in the low scope condition (one chocolate). WTA in the high scope condition was less than two times greater than that in the low scope condition. As predicted, the endowment effect was moderated by scope because buyers revealed a more linear pattern of evaluations than sellers.

In a second study, participants were asked to imagine buying or selling CDs. We once again manipulated scope (one, five, or fifteen). We also manipulated how that scope was framed (as a single pack or as separate items). We predicted that presenting even a large quantity as a single pack would restore the endowment effect. The mean WTP in the high scope condition (fifteen, loose) was more than three times greater than that in the low scope condition (one) and two-and-a-half times greater than the moderate scope condition (five, loose). WTA in the high scope condition was roughly equal to that in the low and moderate scope conditions. Again, buyers revealed a more linear pattern of evaluations than sellers, moderating the endowment effect. However, when we described the quantity of 5 or 15 as a “box set” rather than as separate items, the endowment effect returned. Here, both buyers and sellers revealed linear evaluations and once again demonstrated an endowment effect at each level of scope.

A third study used a trading procedure. Participants were either endowed with chocolates or pens. Half of the participants were endowed with one chocolate or one pen while the other half were endowed with nine chocolates or eleven pens. Participants indicated their preference to keep their endowed product(s) or trade for the alternative product(s). The results revealed loss aversion (less trading than could be expected by chance) in the low scope condition, but not in the high scope condition. Furthermore, there was significantly higher trading in the high scope condition than the low scope condition.

Past endowment effect studies have employed endowments of a single good or a cluster of items forming a single object (e.g., a pack of pens). In this research, we show that the endowment effect is moderated as the scope of the good increases. These findings have theoretical as well as important practical implications. The notion that the endowment effect is moderated by the magnitude of the good is further evidence for the affective deconstruction of the value function. The findings also have practical implications, for instance in consumption settings where large quantities of goods are considered.

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THE EFFECT OF MONETARY FORMAT ON THE ASSIGNMENT OF WINDFALL INCOME TO MENTAL ACCOUNTS

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ABSTRACT

We examine the impact of the monetary format of a windfall on spending behavior. We propose that since cash windfalls are physically indistinct from non-windfall cash, they tend to “permeate” into the mental accounts funded by non-windfall cash. In contrast, gift cards are physically distinct from cash and from other cards and thus the funds are easier to maintain in a separate mental account. We demonstrate the consequences of permeation with respect to overall spending, spending on product types, and price sensitivity.

Experiment 1: Windfall Spending

Gift cards often require unspent balances to remain on the card. In contrast, cash windfalls allow unspent amounts to be retained. As windfall format and balance restriction may be confounded when comparing real-world gift cards to cash, we employ two gift card conditions. Subjects in *cash-back gift card* conditions (GC_{cashback}) retain unspent portions as cash. Thus, comparing Cash and GC_{cashback} conditions isolates the windfall format effect. Subjects in *carry-balance gift card* conditions (GC_{carrybal}) retain unspent portions on the card. Thus, comparing GC_{carrybal} and GC_{cashback} conditions isolates the balance restriction effect.

Experiment 1 involved a shopping scenario in which 115 subjects were given an opportunity to spend a \$20 windfall received as a birthday gift. The study used a 3 (Windfall Format: cash / GC_{cashback} / GC_{carrybal}) \times 2 (Product Type: hedonic / utilitarian) between-subjects design. Subjects viewed choice sets of eight products. ANOVA revealed an interaction between Windfall Format and Product Type (Figure 1). For utilitarian products, spending in the GC_{cashback} condition was similar to spending in the cash condition. However, for hedonic products, spending in the GC_{cashback} condition was higher than spending in the cash condition. Comparing the GC_{cashback} and GC_{carrybal} conditions revealed that spending on hedonic products did not differ but exceeded the value of the windfall. However, for utilitarian products, spending was below the value of the windfall in the GC_{cashback} condition and above it in the GC_{carrybal} condition.

Experiment 1 finds that gift card (versus cash) windfalls lead to greater spending on hedonic items. These effects held in the absence of a balance restriction. As expected, monetary format did not influence spending on utilitarian products. When spending was below the windfall value, the balance restriction encouraged greater spending. When spending exceeded windfall value, the balance restriction had little influence.

Experiment 2: Mental Accounting Mechanisms

Experiment 2 examined the extent to which cash and gift card windfalls permeate into existing

mental accounts and influence spending. We hypothesize that expenses paid with a cash windfall are at least partially debited from the consumer's budget, resulting in underconsumption of the mental account in question. In contrast, expenses paid with a gift card windfall are less likely to be debited from the consumer's budget and will result in less underconsumption of the mental account in question.

Following the procedure of Heath and Soll (1996), 76 subjects were asked to set budgets for categories of expenditures and track expenses against their budgets. Subjects provided an initial estimate of weekly spending on food and entertainment, viewed seven consumption scenarios, and then indicated anticipated spending on food and entertainment for the rest of the week. Three scenarios involved food and entertainment items and four involved unexpected expenses unrelated to food and entertainment. Each subject paid using (1) a cash windfall, (2) a gift card windfall, and (3) a debit card (i.e., a non-windfall).

Consistent with the permeation account, repeated measures z -tests found that the proportion of subjects who underconsumed was higher when windfalls were framed as cash (25.0%) than as gift cards (11.8%, $z = 3.2$, $p < .01$). Thus, cash recipients were more likely than gift card recipients to treat the windfall as part of their food and entertainment account and consequently debit the consumption from their budget.

Experiment 3: Price Sensitivity

When alternative uses of income are salient, consumers exhibit greater price sensitivity. We draw on this relationship between opportunity cost and price sensitivity to help test the proposition that cash windfalls permeate existing mental accounts more readily than gift card windfalls.

In Experiment 3, 184 subjects were given an opportunity to spend a \$50 windfall. Subjects were shown photographs of products and asked to indicate their willingness to pay at three price points. The design involved between-subjects manipulations of Windfall Format (Cash / GC_{cashback} / GC_{carrybal}) and Reference Price (absent / present), and within-subjects manipulations of Price Point (low / medium / high) and Price Tier relative to the \$50 windfall (< \$50 / > \$50).

As expected, we observed a Windfall Format \times Reference Price \times Price Point interaction (Figure 2). Price sensitivity was similar across the three windfall format conditions when reference prices were present. When reference prices were absent, we observed a Windfall Format \times Price Point interaction, where responses in the GC_{cashback} and GC_{carrybal} conditions were less sensitive to changes in price than those in the cash condition. Additionally, cash recipients' price sensitivity did not differ when reference prices were present versus absent. We also observed Reference Price \times Price Point interactions for both the GC_{cashback} and GC_{carrybal} conditions, supporting the prediction that gift card recipients exhibit diminished price sensitivity when reference prices are absent.

We also compared the cash and GC_{cashback} conditions to test the effect of Windfall Format and found a main effect, where baseline willingness to pay was lower in the cash conditions regardless of price point or presence/absence of reference prices. Results also indicated a Windfall Format \times Price Point interaction within the reference price absent condition, confirming that the format manipulation accounted for the differences in price sensitivity.

General Discussion

Results from three studies provide evidence that monetary format influences how windfall income is perceived and spent. Experiment 1 suggests that cash windfalls permeate into existing mental accounts while gift card windfalls are preserved as separate accounts and facilitate pre-commitment to hedonic consumption. Experiment 2 provides evidence for the proposed permeation process, as consumers exposed to cash (versus gift card) windfalls were more likely to underconsume. Experiment 3 suggests that, as a consequence of permeation, consumers are more price-sensitive when spending cash (versus gift card) windfalls.

Figure 1

EXPERIMENT 1 RESULTS: TOTAL SPENDING BY CONDITION

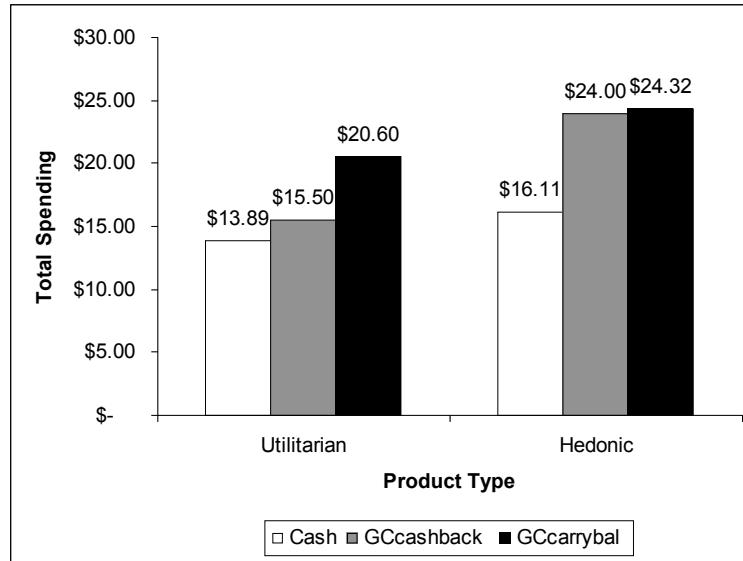
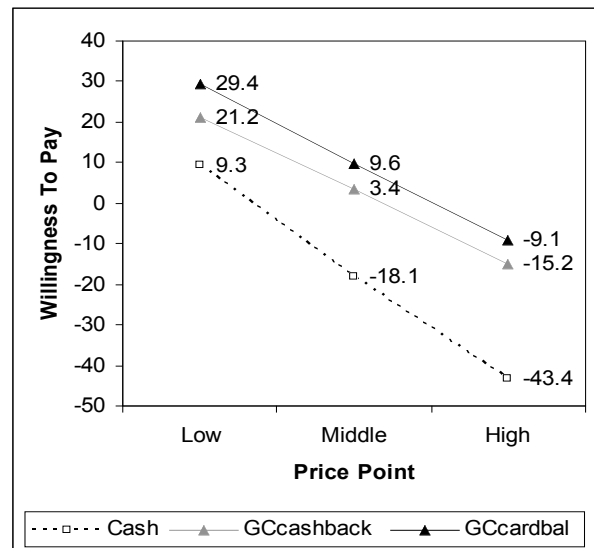
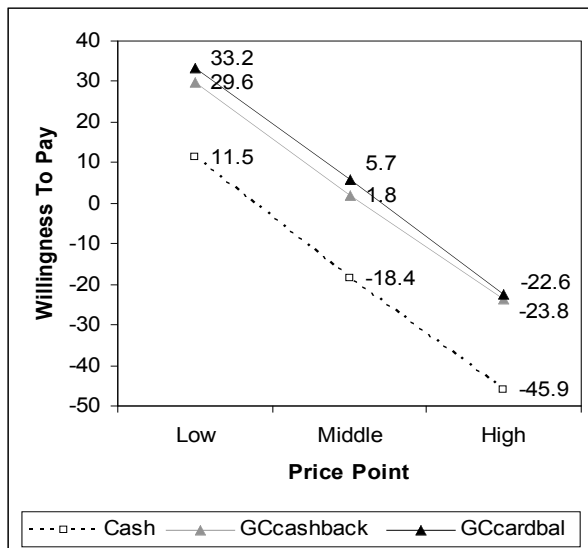


Figure 2

EXPERIMENT 3 RESULTS: WILLINGNESS TO PAY BY CONDITION

Reference Prices Present

Reference Prices Absent



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RESPECT AND FAIRNESS IN EXCHANGE

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ABSTRACT

Imagine purchasing a product that goes on sale a couple of days later. Existing theories of price fairness would suggest that the discrepancy between the price paid and a lower reference price should lead to perceptions of unfairness. We suggest that judgments of fairness can also reflect the fact that basic norms of social interaction have been violated, in this case, a norm of *openness*, which dictates that consumers *should* have been informed about the upcoming sale. The current work shows that a violation of this norm affects fairness, independent of reference prices. We also find that the violation of this norm lowers self-esteem, contributing to reduced satisfaction with the exchange.

This work draws on existing work investigating the psychological mechanisms underlying judgments of distributive, procedural, and interactional justice. Although these components are normally distinguished based on structural components of an exchange (i.e. the outcome of the exchange, the procedures used to determine the outcome, and the nature of the interpersonal interaction involved in the exchange respectively), we argue that fairness judgments stem from a common underlying mechanism – the extent to which consumers' perceived entitlements are fulfilled. Under this assumption, the key difference between justice components relates to the nature of the entitlement. Judgments of distributive justice are concerned with material entitlements, such as price, which has been the focus of much fairness research in marketing. Although procedures can also be important because they affect perceptions of material outcomes and entitlements, we argue that fairness judgments related to procedures and interactions stem from a fundamentally different entitlement – the entitlement to respect.

Our research shows that a basic entitlement to respect underlies the behavioural principles promoted by prescriptive norms. Specifically, these norms reflect commonly agreed upon standards for the ways in which marketers should treat their customers. One such norm we investigate is a norm of openness. While the violation of prescriptive norms often goes hand in hand with unfavorable material outcomes, we find that a normative violation leads to unfairness, even when consumers' material outcomes are fair. Moreover, we find that such treatment has a harmful effect on consumers' self-esteem, which contributes to lowered satisfaction with the exchange.

Two experiments investigated the role of norm violation in perceptions of fairness. The first examined the violation of openness both when it was associated with material consequences and, more importantly, when it was independent of any material costs. The second experiment examined limits to the entitlements established by the openness norm as well as the consequences of norm violation for consumers' self-esteem.

Both experiments examined the openness norm in the context of an upcoming sale, where it would dictate that sellers should inform customers that prices were going to be reduced in the near future. Typically, the violation of openness would be confounded with material consequences: consumers would pay full price when not told about the sale, but would benefit from the lower price

when they were told. In experiment 1, we were able to separate the influence of norm violation from material consequences by manipulating whether or not participants were actually able to wait for the sale. When participants could not wait for the sale, norm violation would not impact their actual outcome, meaning we could examine the effect of norm violation in isolation of material consequences. Importantly, participants who were not told about the sale nevertheless found out about the sale through alternative means, making it clear that the openness norm had been violated. This had the additional effect of making all participants aware of the sale price, holding perceptions of the reference price constant.

We found that violation of openness lowered perceptions of fairness and satisfaction, and raised intentions to engage in harmful behaviors against the store. Significant interactions indicated that this effect was most pronounced when there were material consequences. Importantly, our analyses indicated that the norm violation had a significant impact on fairness, satisfaction, and behavioral intentions, even when there were no material consequences. Moreover, we found that the effects of norm violation were mediated by respect, suggesting that the normative violation did in fact undermine a fundamental entitlement to respect. When there were also material consequences we found that perceptions of distributive justice contributed to the effect on fairness, consistent with existing work on price fairness.

Experiment 2 examined the impact of normative violations on consumers' self-esteem as well as limits to the entitlements established by prescriptive norms. In particular, we examined limits to the kind of information that marketers are expected to reveal and the time period over which they are expected to reveal that information. We found that marketers were not expected to provide information on competitor pricing or price decreases of their own that would occur sufficiently far in the future. This meant that a failure to reveal this kind of information conveyed less disrespect and therefore had less of an impact on fairness. When marketers failed to reveal information that consumers felt entitled to, however, consumers interpreted this as a lack of respect that lowered their self-esteem, ultimately contributing to reduced satisfaction. When it comes to fairness, it appears that consumers cared about more than just their material outcome.

Nevertheless, material entitlements did matter (i.e. the price consumers felt entitled to). This entitlement was affected by both the store's and competitors' prices, but only when these prices were available close to the time of purchase. Consistent with past research, perceptions of the reference price were affected by reduced prices in the original store as well as prices in other stores, but only when these prices were available shortly after the original purchase. Overall, experiment 2 provided further evidence that fairness was affected by both material and non-material entitlements and showed that there were different limits to each. It also provided evidence that a violation of entitlements established by prescriptive norms can be harmful to consumer self-esteem.

Fairness judgments reflect the extent to which individuals believe they have received what they are entitled to. Research on fairness in marketing has focused on the entitlement to particular prices. Our research shows that fairness judgments can be independently affected by non-material entitlements. This suggests that the current conception of fairness in marketing needs to be expanded to account for such entitlements. We identify one possible basis of those entitlements – prescriptive norms. Moreover, the current research provides insight into why unfair treatment is so important to consumers – because it can harm self-esteem. This research also has implications for current work on justice. Specifically, it suggests that judgments of distributive, procedural, and interactional justice may reflect the operation of a common mechanism – a comparison of outcomes and treatment to entitlements.

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**SUBJECTIVE TIME AND DECISIONS:
THE ROLE OF PERCEPTION AND EXPERIENCE OF TIME IN
CONSUMER DECISION MAKING**

Special Session Chairs:
Selin A. Malkoc, University of Minnesota
Narayan Janakiraman University of Arizona

Discussion Leader:
Priya Raghubir, University of California at Berkeley

SUBJECTIVE TIME PERCEPTION AND TEMPORAL DISCOUNTING

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ABSTRACT

Many models have been proposed to describe and explain preferences that show that hyperbolic discounting, the tendency to prefer a sooner-smaller outcome over a later-larger one (i.e., delay discounting), decreases as the time horizon gets longer (e.g., Ainslie 1975; Loewenstein & Prelec, 1992). Although varying in their specifications, all these models have two things in common: (1) incorporating objective time horizons in the model and (2) attributing present bias to changes in the valuation of outcomes at different points in time. That is, all the 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., the 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 that 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. Furthermore, we predict that making duration salient (i.e., asking people to think about how long it would take to complete varied tasks) decreases the gap between objective and subjective time and attenuates hyperbolic discounting. Four studies support these predictions.

Results from two studies show that subjective time horizon is far more compressed and less sensitive to changes than objective time horizon. For discount rate, the standard pattern of hyperbolic discounting is observed when objective time is used in the calculations. However, when subjective estimates of duration are used, discounting no longer follows a hyperbolic pattern, but is instead more constant over time horizon. In addition, results from two other studies show that when duration becomes

salient by priming, consumers become more sensitive to time horizon and show reduced levels of hyperbolic discounting.

DOES TIME FLY WHEN YOU'RE COUNTING DOWN? THE IMPACT OF COUNTING DIRECTION AND NEED FOR COGNITION ON PERCEIVED DURATION

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ABSTRACT

Web users watching video clips of commercials, news items, or music online can tell how much time has elapsed from the beginning of the video and the total duration of the video clip by looking at a digital counter usually located at the bottom of the pop-up media player. Are these video segments more entertaining when the timer counts the elapsed time downward or upward? Suppose your gym instructor asks you to do 25 sit-ups. Does time seem to pass by more quickly and are you more willing to do additional sets of sit-ups if you count down from 25 to 1 or up from 1 to 25?

This research examines the impact of counting events upward *vs.* downward on the perceived duration of the interval containing the events as well as on consequences associated with the duration of the interval. We hypothesize that the end of the counting down sequence (e.g., 5, 4, 3, 2, 1 in the sit-up example) has greater familiarity and fluency than the end of a counting up sequence (e.g., 21, 22, 23, 24, 25). Past research has shown that high fluency is associated with positive affect and results in more favorable evaluations (Winkielman et al 2003). Additionally, it has been shown that individuals tend to misattribute the favorability associated with the end of an experience to the overall favorability of that experience (Fredrickson and Kahneman, 1993). As a result, we hypothesize that individuals will interpret a counting down experience as more favorable and shorter than a counting up experience. Since individuals high in need for cognition (NFC) have been shown to devote more attention to their own thinking and meta-cognitive experiences (Petty et al, 2007), we expect the effect of counting up *vs.* down will be larger for individuals high in NFC.

In study 1 we asked participants to imagine doing twenty five sit-ups. Half were asked to count their sit-ups from 1 to 25 (upward) and half were asked to count from 25 to 1 (downward). Counting downward resulted in estimation of shorter exercise duration and in perception of faster completion pace compared to counting upward. However, time and pace perceptions did not shape effectiveness perceptions, suggesting that participants counting downward believed they worked just as hard as those counting upward only did so more efficiently. Accordingly, downward counters were more willing to continue doing sit-ups than upward counters.

In study 2 we asked participants to count twenty five geometrical shapes. We manipulated two factors between participants: counting direction – upward or downward and counting range – half counted between 1 and 25 and half counted between 26 and 50. We hypothesized that counting downward will be perceived as shorter and as more enjoyable than counting upward only for the 1-25 range where the final countdown sequence is familiar and fluent (5, 4, 3, 2, 1), but not for the 26-50 range (where the countdown ends with 29, 28, 27, 26, 25). Preliminary results were directionally

consistent with our hypotheses. Downward counters estimated the duration of the counting task to be shorter than upward counters in both the 1-25 and the 26-50 ranges, but the difference between these groups was more pronounced in the 1-25 range. Accordingly, downward counters were more willing to continue counting geometrical shapes than upward counters, but only in the 1-25 range.

In Study 3a we used the same procedure as in the sit-up study and added a need for cognition measure. The results replicate the findings of study 1 and show that the counting direction effect is stronger for individuals high in NFC than for those low in NFC.

In Study 3b participants were asked to estimate the duration of a waiting interval in which they counted either from 1 to 60 or from 60 to 1. They were asked to imagine waiting on the phone for a pleasurable conversation. Consistent with our hypotheses, the counting direction effect was found only for individuals high in NFC.

In sum we find across studies that counting down experiences are perceived as shorter and as more favorable than counting up experiences. Our results support the hypothesis that this effect depends on the perceived fluency at the end of the counting interval. These findings have important managerial implications because they suggest that consumers may find the same experience more enjoyable and effective when the events or time units associated with it are counted downward. To mention just a few examples where this effect can be applied: managers of call centers, directors of fitness DVDs and designers of online video segments can improve the appeal and effectiveness of their products with hardly any effort.

EFFECT OF SERVICE TIME ON PERCEIVED WAIT IN QUEUE: THE ROLE OF FAIRNESS AND EXPECTATIONS

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ABSTRACT

Customers can wait before, during or after a transaction (that is pre process, in-process and post-process; Dube-Rioux, Schmitt, and Leclerc 1988). 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). In our research we hypothesize that duration of service time is likely to affect perception of queue waits. We hypothesize that violation of wait norms 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. Study 1 was a field study conducted at a leading supermarket chain. 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. Analysis revealed that prior duration estimates had no effect on subsequent satisfaction, while prior norms on length of wait for items in the shopping basket had a large effect.

Study 2 was a controlled experiment 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. Study 3 was a process study that revealed that when individuals had prior knowledge of the service time (i.e. duration of the study) they formed norms of reasonable waits. 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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CREATIVITY: IDENTIFYING SITUATIONS THAT FOSTER CONSUMER CREATIVE EFFORTS

Special Session Chairs:

Laura Peracchio, University of Wisconsin-Milwaukee

Xiaojing Yang, University of Wisconsin-Milwaukee

Discussion Leader:

C. Page Moreau, University of Colorado

THE INTERACTION OF CREATIVITY TRAINING AND EXTRINSIC REWARDS ON INTRINSIC MOTIVATION AND NEW PRODUCT IDEATION

Darren W. Dahl, University of British Columbia

C. Page Moreau, University of Colorado

James E. Burroughs, University of Virginia

ABSTRACT

Understanding the role of creativity in the new product development process is of great interest to marketing and consumer researchers. Of particular interest are ways to facilitate creativity among design engineers and lead users (Von Hippel 1986). One debate in this area centers on the importance of intrinsic motivation to creative productivity (Amabile 1996). Specifically, the dominant view is that the introduction of extrinsic motivators (e.g. monetary rewards) tends to reduce intrinsic motivation and undermine creativity. Yet exceptions have been frequently documented and researchers are now trying to identify the conditions under which rewards may actually be helpful (Burroughs et al. 2007).

Our research extends this area of inquiry by introducing ability factors into the intrinsic/extrinsic equation. Specifically, we examined the moderating role of creativity training on individuals' motivation to be creative. We believe that training should refocus attribution of a reward away from an external incentive to perform, and as affirmation of a participant's own internal skill. As such, rewards should combine with training to enhance creativity. Participants in our study were 122 undergraduate engineering students whose task was to design a new car jack for elderly consumers. The experiment was 2 x 2 between-subjects design, in which creativity training (see Dahl et al. 1999) and a monetary reward were the independent variables.

Eight elderly drivers independently judged the creativity (originality and usefulness) of the designs. We find an interaction ($F_{1,121} = 5.75, p = .01$) such that extrinsic rewards increase the creative performance of designers receiving training ($M_{\text{reward}} = 8.1$ vs. $M_{\text{no reward}} = 7.2, p < .05$) but have no effect on the creative performance of those who do not receive training ($M_{\text{reward}} = 7.4$ vs. $M_{\text{no reward}} = 7.6, n/s$). Further analysis suggests that this interaction operates primarily through the usefulness dimension of creativity. Again, our study extends prior research on motivation and creativity, and has implications for the new product development process.

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**IS THINKING THE ENEMY OF CREATIVITY?:
THE IMPACT OF COGNITION ON CONSUMER CREATIVITY**

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ABSTRACT

Consumer creativity has become an increasingly important topic for marketers and researchers in recent years. Our research examines intrinsic and situational determinants of consumer's processing style. Specifically, we examine how visualizer versus verbalizer styles of processing (people's preferences for using imagery versus verbal processing in thinking, studying and problem solving; Childers, Houston and Heckler 1985) affect consumer creativity. Our paper aims to examine the conditions under which visual versus verbal processing, or in combination with verbal processing, promotes consumer creativity. We examine how temporal distance of tasks (the perceived proximity of the task in time) interacts with consumers' processing style to impact creativity in a series of three experiments. All three experiments have been completed and the data has been analyzed.

In the first experiment, participants were asked to perform a creative problem-solving task in which they were told to come up with creative ideas regarding where to put an ad for a wrist watch in a bus interior. Temporal distance was manipulated by asking the participants to imagine performing the task either on the next day or one year after. The individual difference variable of visualizer vs. verbalizer was measured using an existing scale (Childers, Houston and Heckler 1985). We found that visualizers (vs. verbalizers) are more creative when asked to perform a distant task and verbalizers (vs. visualizers) are more creative when asked to perform a proximate task.

In order to explore the underlying process, we conducted two more experiments in which visual and verbal strategies for task processing were manipulated in addition to the temporal manipulation. A three-way interaction of processing instruction, cognitive style, and temporal distance was found for both experiments two and three. Specifically, when participants were instructed to use verbal processing, they exhibited the same pattern of results as in the first study. A different pattern of results was observed when instructing participants to use visual processing. These results offer many insights into the process underlying consumer creativity.

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MOOD EFFECTS ON PERFORMANCE AND CREATIVITY IN PHYSICAL TASKS

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ABSTRACT

Much of the research that has been conducted on the topic of creativity is focused on the cognitive (mental activity) domain, and there is a great deal of evidence that different moods can affect creativity in different ways. Creativity, however, can also be found in the physical domain (for example basketball, dancing, etc.) The question we wish to address is whether mood has an effect on creativity in physical activities and, if so, which type of mood (positive, negative) has the most beneficial effect. In this research we attempt to show that affect-as-information may also have explanatory power in the realm of physical tasks. More specifically the theory predicts that individuals in a negative mood are more likely to focus on the details of a given task, will be less likely to be distracted by irrelevant information and will be less creative in the way they perform a task. We hypothesize that individuals in a negative mood will be better able to learn “lower order” elements of a physical task (e.g. how to dribble a basketball). On the other hand, the theory predicts that individuals in a positive mood will be better able to draw on a broader range of knowledge and combine this knowledge in creative ways. Thus, we hypothesize a positive mood improves performance in tasks that involve the creative co-ordination of two or more of these lower order elements (e.g., doing a lay up).

Building on the affect-as-information framework we will perform two experiments to test our hypotheses that:

- 1) A negative (versus neutral or positive) mood improves learning of “lower order” elements of a physical task (e.g., how to dribble a basketball), and
- 2) A positive mood improves performance in tasks that involve the creative co-ordination of two or more of these lower order elements (e.g., doing a lay up).

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THE EFFECT OF EXPERIENTIAL ANALOGIES ON CONSUMER COMPREHENSION AND ATTITUDES

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Darren W. Dahl, University of British Columbia, Canada
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ABSTRACT

What does driving a sports car have to do with a first kiss, shopping in New York or purchasing a pair of designer shoes? This unique comparison was one of many used in a recent ad campaign for the Alfa Romeo Spider. Microsoft and Ford have also used this strategy, comparing the experience of playing the Xbox 360 to participating in a city-wide water balloon fight and driving the Ford Fusion to listening to an iPod. These ads are prime examples of experiential analogies. The predominance of experiential analogies in recent ads suggests that they are persuasive. Yet understanding what comes to mind when consumers are faced with these unique comparisons remains to be investigated. Are the feelings associated with the comparison experience simply transferred to the advertised product, or is a deeper level of processing required for these ads to be effective? By drawing on analogy and consumption experience literatures, the complexities of experiential analogies are explored.

How consumers learn about the functionality of technology-oriented products through analogies has received significant attention. Digital cameras have been compared to computer scanners, personal digital assistants to secretaries and off-line web readers to VCRs. Many important moderators of analogy comprehension and persuasiveness have been identified (e.g. Gregan-Paxton, 2001; Moreau, Lehmann and Markman 2001, Gregan-Paxton and Moreau 2003). However, these functional analogies differ substantially from experiential analogies where consumers are encouraged to compare two disparate experiences. Experiential analogies present a unique opportunity to explore how knowledge from a familiar, but seemingly unrelated, experience can enhance consumer attitudes.

The analogy literature provides some evidence that the persuasive effect of experiential analogies resides in consumers *thinking* about the cued experiences (for a review of analogical processing, see Gentner and Markman, 1997; Gregan-Paxton, Roedder John, 1997). The consumption experience literature indirectly suggests that when consumers think about experiences, preferences and emotions associated with the experiences become salient (Hirschman and Holbrook 1982; Lofman 1991). When comparing a first kiss to driving the Spider, how much you liked your first kiss and the rush of emotions you experienced are likely to come to mind. Therefore, it was predicted that the mapping and transfer of emotional knowledge will dominate the processing of experiential analogies. In other words, the emotions associated with the base experience (e.g. first kiss) would be inferred to apply to the advertised product (e.g. Alfa Romeo Spider).

Equally important in understanding experiential analogies is identifying the role of base experience preferences. In order to influence consumer attitudes, it makes sense that the advertised product should be compared to an experience that consumers already have a favourable attitude towards. With the Spider ad, the underlying assumption is that the experience of a first kiss would be considered positive by the target audience. The current research demonstrates that base preference moderates the effect of emotional knowledge on consumer attitudes. Specifically, it was predicted that an experiential

analogy would be maximally persuasive only if consumers have a strong preference for the base experience and map and transfer a high number of emotions from the base experience to the advertised product. When preference for a base experience is weak (e.g. you hated your first kiss) or too few emotions are mapped and transferred, the persuasiveness of an experiential analogy is expected to diminish.

Three studies were conducted to investigate what underlies the persuasive effect of experiential analogies. The first two studies demonstrated that emotional knowledge becomes salient during the processing of an experiential analogy. The effect of emotional knowledge on an analogy's persuasiveness was found to depend on preference for the base experience. The third study introduced and explored an important boundary condition.

In Study 1, participants were randomly assigned to view either an ad with an experiential analogy, a direct emotional appeal, or a broader experiential appeal. After viewing the ad, participants responded to a survey containing the key dependent measures, an open-ended question measured the mapping and transfer of emotions (henceforth, called emotional inferences) and consumer attitudes. In support of the predictions, a significant interaction between emotional inferences and base experience preference on attitudes was found. The more emotional inferences generated and the stronger the base preference, the more positive were attitudes. The positive effect of emotional inferences on consumer attitudes was mitigated when base preference was weak. Across all three ads, the analogy ad was liked significantly more than the emotional appeal and experiential ads.

In Study 2, a cognitive load manipulation was used to provide additional support for the effect of emotional inferences and base preference on consumer attitudes. As expected, the analogy ad was more persuasive for those under low cognitive load (ie. generated a high number of emotional inferences) and had a strong preference for the base experience. Inclusion of an emotional appeal ad provided a replication of the results in Study 1.

The goal of Study 3 was to explore a boundary condition for the effect of experiential analogies on consumer attitudes. The concept of "emotional aptness" was examined. In order for an experiential analogy to be persuasive, it was predicted that the analogy would have to be emotionally apt. Apt analogies were defined as those where the base experience and the advertised target product were a match in terms of the specific emotional states evoked. Participants viewed either an apt analogy, a less apt analogy or an emotional appeal ad. The mapping and transfer of emotions was found to break down when the base and advertised product experiences did not elicit the same specific emotion states. Like Studies 1 and 2, the apt analogy ad was more persuasive than the emotional appeal ad.

This investigation of experiential analogies was the first to empirically examine how emotional knowledge from a disparate domain can be harnessed to influence consumer attitudes. In identifying the type of knowledge cued by experiential analogies, an important moderator of analogy persuasiveness was identified. Finally, examining emotional aptness revealed additional limitations on the persuasiveness of an experiential analogy, which has both theoretical relevance and useful implications for marketing practitioners.

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COPING IN THE MATERIAL WORLD: USING CONSUMPTION TO REPAIR AND PROTECT SELF-WORTH

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ABSTRACT

This research proposes that buying and consuming products and services can both repair and protect consumers' feelings of self-worth. Prior research has highlighted the dark side of consumption (Belk 1985; O'Guinn and Faber 1989; Richins and Dawson 1992). I examine what drives consumers to pay premium prices for goods and services (i.e., trade up) in some categories and under some circumstances but not others. I approach this question through the theoretical lens of self-enhancement and hypothesize that consumers whose feelings of self-worth are threatened use the decision to trade up or not to portray positive self-conceptions – meaning, to make a positive statement about who they are. I show that consumers whose feelings of self-worth are threatened are more likely to trade up in contexts perceived to be more relevant for their self-concepts and less likely to trade up in contexts perceived to be less self-relevant. Self-relevance is operationalized both by the choice set (e.g., choice between Duke t-shirts vs. plain white t-shirts) and by the degree to which individuals chronically view possessions as integral aspects of the self. Importantly, I also show that the decision to trade up or not can assuage consumers' negative feelings of self-worth. That is, by trading up in self-relevant contexts but not in less self-relevant ones, consumers' feelings of self-worth are repaired.

In the long-term, I propose that self-relevant possessions become coping resources. By using possessions as coping resources, consumers' feelings of self-worth are protected against potential threat and consumers become less likely to trade up on other consumption decisions. I also explore how the type of meaning attached to a possession determines its capacity to protect consumers against threat and show that the greatest protective power comes from possessions that are important with respect to consumers' social relationships. Finally, implications for theory and research in marketing are considered.

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ANTICIPATING ADAPTATION TO PRODUCTS

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ABSTRACT

Since many consumer products deliver their value over time, the decision to purchase such products often depends on predictions of product enjoyment over time. The present research shows that people often fail to predict hedonic adaptation to products and explores the antecedents and consequences of this prediction error. We demonstrate that the failure to predict diminishing enjoyment with a product arises not because of erroneous beliefs about changes in product enjoyment over time, but rather because of a failure to spontaneously consider adaptation and apply largely correct beliefs about adaptation. We further show that making prospective duration salient can cue beliefs about hedonic adaptation. Lastly, we find that these beliefs, once cued, influence purchase decisions.

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**PRODUCT CRISES AND BABYFACES:
THE FACE OF A COMPANY AFFECTS CONSUMER JUDGMENTS**

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ABSTRACT

Search the web for today's business news or read the business section of the newspaper and you will likely come across a headline about a company facing a public relations (i.e., PR) crisis. Take the recent headline "Edelman Eats Humble Pie, Unmasked as Force behind Wal-Mart Blog; PR Giant Does Damage Control" in *Advertising Age* (2006). The accompanying article and photo of Richard Edelman contains an apology by him for a fake blog that his firm created on behalf of Wal-Mart. The question we address is how consumers will respond to Edelman's public apology for the "error in failing to be transparent about the identity of the two bloggers from the outset." How will Edelman's apology impact consumer liking for the Edelman and Wal-Mart brands? We believe that Edelman's photo in the news article, specifically whether he is perceived to have a "babyface" (large eyes, small nose, high forehead, and small chin) or a mature face will be one of the determinants of their response.

Appearances bias impressions. Is the person attractive? Are they tall? Do they have a babyface? Babyfaced people are perceived as kinder, warmer, and physically weaker than mature-faced people (Berry and McArthur 1985). They are also perceived as more honest and more naïve (Berry and Brownlow 1989). The focus of most of the babyface research has been on trait inferences and not on the downstream consequences of these inferences, such as evaluations and judgments (Zebrowitz 1997). Also prior research has not systematically investigated the boundary conditions for this effect and it is not clear whether these inferences are spontaneous and correctible in the face of competing contextual cues. Our research contributes to the literature by addressing these gaps.

We examine a situation where a company has a product-related PR crisis- their cough remedy that turns out to have side effects. The crisis results in adverse publicity-a news report of the crisis containing a photograph of the CEO. A question that is likely to be raised in the reader's mind when reading the report is whether the company knew about the problem beforehand but did not acknowledge it publicly. One cue that might be used to answer this question is the face of the CEO and how honest it looks. Based on the literature, we expect that a babyfaced (vs. maturefaced) CEO will be seen as more honest, with attitudes towards their company more favorable as a result.

If consumers are however alerted to other cues in the situation that are more diagnostic regarding intentionality, appearance-based inferences should be corrected. One situational cue is the severity of the crisis. If the crisis is severe, the inference that the babyfaced CEO did not intentionally mislead consumers is likely to be "corrected," if they have the cognitive resources to make the correction. Attitudes towards the company should be negative regardless of the shape of the CEO's face.

Another gap in the literature concerns the previously mentioned lack of examination of the effect of face-trait associations on downstream judgments. We address this gap experimentally through the prior priming of either associations consistent with the babyface stereotype or counter to it. We also

address it by creating situations in which innocence has negative versus positive implications. We take the same construct of innocence and the associations related to it to show how in a public relations crisis, perceptions of innocence arising from babyfacedness can be either an advantage or a disadvantage.

In our first experiment, we manipulated the face shape of CEO, cognitive capacity and crisis severity. Participants were asked to read a fake Yahoo news article about the pharmaceutical company whose new product has been found to have side effects. The article featured a photo of the CEO morphed into either a babyfaced or maturefaced photo.

As expected, babyfacedness influenced perceived honesty of the CEO, which in turn influenced company attitudes, except when many users suffered the side effect (extreme crisis). However, if cognitive capacity was limited, babyfacedness had a significant effect even in a high crisis situation. Hence babyface-honesty inferences appear to be spontaneous, which are corrected when sufficient cognitive resources are available.

Experiment 2 further demonstrated that the natural association between babyfacedness and honesty/unintentional wrongdoing underlies inferences about perceived honesty and persuasion. The natural association between babyfacedness and unintentional wrongdoing was reversed by creating associations between babyfacedness and intentional harm through a priming task prior to exposure to the Yahoo article. As a result, the mature-faced CEO was perceived as more honest with company attitudes more favorable.

Experiment 3 showed that the association of babyfacedness and innocence has negative consequences if innocence implies naiveté. We constructed a situation in which a company recovering from a PR crisis is searching for a new CEO. The PR crisis was either due to a former CEO's dishonesty or his lack of vigilance. A mature-faced CEO was viewed as a better choice to lead the company than a babyfaced CEO in the vigilance-in-doubt situation whereas a babyfaced CEO was viewed as a better choice than the mature-faced CEO in the honesty-in-doubt scenario. These results provided further evidence that the traits associated with babyfacedness are used in downstream judgments. In sum, our research suggests that in PR crises, the face of the company definitely matters in most cases.

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FACTORS PREDICTING THE EFFECTIVENESS OF CELEBRITY AND NON-CELEBRITY ENDORSERS

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ABSTRACT

Based on a recent estimate, approximately 25 percent of American commercials use celebrity endorsers. The use of celebrity endorsers also appears to be an effective strategy, as research indicates that celebrity endorsements can result in more favorable advertisement ratings and product evaluations in addition to having a positive impact on a company's financial returns. Nevertheless, several contradictions to the general pattern of highly effective celebrity endorsers have been observed in recent research. Although there is a growing body of knowledge related to the use of endorsers, especially celebrity endorsers, relatively little effort has been made to explain these contradictory results, and no overarching theoretical framework has been developed to explain the conditions under which endorsers are effective. The primary objective of the present research is to examine predictive factors for endorser effectiveness based on theoretical research in persuasion and attribution.

Although the majority of research in this area has focused on celebrity endorsements, an increasing number of advertisements are based on "peer" endorsements in which non-celebrities are used as endorsers. These endorsers are typically intended to serve as an archetypal representation of members of the target market. Although peer endorsements have received relatively little research attention, previous persuasion research suggests that the mechanisms underlying peer endorsement effectiveness might be substantially different from the mechanisms underlying celebrity endorsement effectiveness. The secondary objective of the present research is to directly compare celebrity and peer endorsers in order to identify endorser characteristics that differentially impact the effectiveness of these two types of endorsement.

The experimental predictions were as follows: H1 – Attitudes toward an endorser should be positively related to attitudes toward the advertised product and to purchase intentions toward the product; H2 – correspondent inferences that the endorser likes the advertised product should be positively related to attitudes toward the advertised product and to purchase intentions toward the product; H3 – celebrity endorsers should be viewed as more credible than non-celebrity endorsers, and consumer attitudes toward both the endorser and the advertisement should be more positive for celebrity than for non-celebrity endorsers; H4 – attitudes toward the endorser and the advertisement should be stronger predictors of consumer attitudes toward the product and purchase intentions for celebrity endorsers than for non-celebrity endorsers; and H5 – correspondent inferences that the endorser likes the advertised product should be a stronger predictor of consumer attitudes toward the product and purchase intentions for non-celebrity endorsers than for celebrity endorsers.

One hundred forty-one participants were presented with a fictitious printed advertisement for a well-known athletic shoe manufacturer featuring either a celebrity or a non-celebrity endorser. After viewing the advertisement, participants completed an evaluation questionnaire that included measures of correspondent inferences, attitude toward the advertisement, attitude toward the product, attitude toward

the endorser, trustworthiness of the endorser, expertise of the endorser in relation to the product, attractiveness of the endorser, and purchase intentions toward the advertised product.

Correlational analyses provided partial support for H1 and H2: Attitudes toward the endorser and correspondent inferences were both significantly correlated with attitudes toward the product, but neither was significantly correlated with intentions to purchase the product. H3 was supported, as the celebrity endorser was rated more favorably than the non-celebrity endorser in terms of trustworthiness, expertise, and attitudes toward both the endorser and the advertisement. No differences were observed between celebrity and non-celebrity endorsers in terms of either attitude toward the product or purchase intentions.

Structural Equations Modeling was used to test H4 and H5. The model postulated that purchases intentions should be predicted by (1) peripheral processing paths based on attitudes toward the endorser and toward the advertisement, and by (2) a central processing path based on correspondent inferences about the endorser's liking for the product. This theoretical model fit the data well for both peer and celebrity endorsers. Comparisons with constrained models failed to support H4 and H5, however, as the central processing path was equally strong for celebrity and non-celebrity endorsers, and the peripheral processing path was only marginally stronger for celebrity endorsers than for non-celebrity endorsers.

In general, path weights in the central processing route in the Structural Equations Model were stronger than path weights for the peripheral processing route. This finding is inconsistent with previous research indicating that consumer processing of celebrity endorsement advertisements relies almost exclusively on superficial, peripheral processing. Another interesting finding was that the celebrity endorser had no more impact on attitudes toward the product and purchase intentions than the non-celebrity endorser. Considering the prevailing view that celebrities are the most effective endorsers, this finding is worthy of additional investigation. One possible explanation is that the advantages of celebrity endorsers over non-celebrity endorsers become stronger over time and across multiple advertisements.

This research highlights the importance of investing advertising money wisely by carefully choosing the right endorser. Maximizing endorsement effectiveness involves more than merely choosing a popular celebrity and relying on consumers' positive attitudes toward that celebrity to carry the day. Instead, companies would be wise to put more effort into choosing endorsers who are well matched with products, and in creating believable explanations for why endorsers truly like the products they endorse.

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EXAMINING VISUAL INFERENCES AND ADVERTISING STRATEGIES IN POLITICAL MARKETING

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ABSTRACT

We conduct an exploratory investigation of the effects of advertising spending, advertising tone and candidate appearance on Congressional electoral outcomes. Our analyses reveal that campaign spending, advertising tone, and visual inferences about candidate personality traits all significantly predict vote share, but these factors have asymmetric effects across the two parties.

Introduction

Political campaign managers are increasingly utilizing marketing tools, and spending on political advertising is growing rapidly (Teinowitz 2004), yet political campaigns have received little attention within marketing. Our research considers the role of two marketing variables in political campaigns: product appearance, (i.e. the physical appearance of the candidate) and advertising spending strategies. In particular we look at how the role of party brand image and first mover advantage moderate the influence of these factors in political campaigns.

Background

Candidate Appearance and Impression Formation

Almost all products are subject to visual inferences that arise out of initial exposure when reactions can result in an established attitude before other information is considered. For political candidates, where visual contact with the candidate is often solely through short news clips or advertisements, personality inferences based on brief visual exposure may be critical. Indeed, recent research demonstrated how personality inferences based on photographs of political candidates can influence elections (Todorov et al. 2005). Todorov et al. had study participants make relative personality judgments of U.S. Senate and Congressional candidates based solely on their photographs. Results indicated that the appearance of competence was highly predictive of electoral success.

The results of Todorov et al. (2005) are striking but may be incomplete. Because political parties function like brands in that they strive to develop distinct positions, such stereotypes likely differ across party. Thus, the visual qualities that mean success for a Republican may differ from those that mean success for a Democrat. We investigate this possibility.

Advertising Spending

We also consider the role of advertising spending strategies. A consistent finding in prior research on campaign spending is that while challenger spending is found to influence vote shares, spending by incumbents usually has a statistically insignificant effect. The main explanation is that much like an early market entrant, incumbents start with advantages in awareness, which impacts the

marginal effects of advertising investments. In contrast, challengers often start from a point of relative anonymity, so marginal spending has a greater effect. We examine this effect and also consider whether asymmetries exist across political party.

We also investigate effects of negative advertising. We consider incumbency and political party as potential moderators of the effectiveness of negative advertising. As the later entrant into the market, challengers may gain relatively more by employing negative ads that highlight familiar deficiencies in their competitors because they enable alignable comparisons. On the other hand, negative advertising by incumbents that emphasizes the risk of switching to the challenger may be relatively more effective. Party affiliation may also have an effect. Given that political parties have established brand images and distinct positions, negative advertising may be differentially effective for Democratic versus Republican candidates.

Data

We obtained personality judgments based on candidate photographs for 112 congressional races from 2000 and 2002. Participants were presented with photographs of the two main candidates side by side, labeled “Candidate A” and “Candidate B” (picture position counterbalanced). Participants provided relative ratings on four personality trait questions (competence, intelligence, likeability, and trustworthiness), each on a seven-point scale from “Candidate A looks much more [intelligent]” to “Candidate B looks much more [intelligent].”

Advertising tone data was obtained from the University of Wisconsin’s Political Science Department, which has compiled a database containing information on elections in the top 75 media markets in 2000 and the top 100 markets in 2002. The database includes information on whether campaign ads were primarily positive or negative in tone, as well as estimated costs for each airing. We use the estimated costs and tone judgments to calculate the percentage of negative advertising used by each candidate. In addition, we use campaign fundraising and spending statistics from the Federal Election Commission.

Results

We first conduct an analysis of only the visual inference data for Democrats and Republicans. As predicted, the results suggest that the various visual assessments operate differently for the two parties. Republicans benefit from being perceived (visually) as more competent and trustworthy. Appearing more likeable or more intelligent has negative effects. The pattern is strikingly reversed for Democrats.

In the second stage of the analysis we examine the relationships between candidate spending, advertising tone and vote shares. Consistent with results in the political science literature, we find spending for challengers has a significant positive impact but for incumbents has a negligible effect. We then delve further to investigate the effects of spending on negative advertising, estimating separate coefficients for Republicans and Democrats. We find that spending on negative advertising by Republican challengers is found to be significantly more effective than for Democratic challengers. In contrast, the results for Republican and Democratic incumbents’ negative spending rates are not significantly different.

As a final step we use the personality inferences data and the spending data in a combined model. We find that spending levels and candidate appearance both significantly influence election results. Including the spending variables and the visual effects in a single model provides an opportunity to quantify the value of inferred personality traits. For example, a Republican incumbent gains the same benefit in vote share from a competence appearance advantage of .1 as from shifting from a spending ratio (incumbent spending to total spending) of .5 to .56. If the Democratic challenger is spending the average of \$450,000 this represents an incremental investment of approximately \$115,000.

Discussion

Our research extends previous work in political marketing by examining how party brand image moderates the effectiveness of certain marketing variables in political campaigns. We show that visual inferences of candidate personalities have asymmetric effects on elections across the parties. We also extend research on the effectiveness of negative advertising by showing that effectiveness varies by party and incumbency. Future research is needed to understand the drivers of these asymmetries.

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I'M SAD, BUT NOT ANGRY: EXAMINING SEQUENTIAL NEGATIVE STATES

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ABSTRACT

Most research on emotion has assumed a neutral starting point from which emotions of interest are experienced. Importantly, outside of controlled environments, individuals experience a sequence of emotions throughout their day. Emotions from a previous event may impact the elicitation of emotions in a subsequent event. Moreover, such impact may be systematic and predictable.

Drawing on cognitive appraisal theories of emotion, Ellsworth (1991) has speculated that the relative ease versus difficulty of changing from one emotional state to another varies as a function of the specific emotions involved. Lerner and Keltner (2000, 2001) proposed the Appraisal-Tendency Framework to distinguish the effects of specific emotions on judgment and decision making. We extended the Appraisal-Tendency Framework to examine the effects of specific emotions on the elicitation of subsequent emotions. Our proposition was that the cognitive appraisals that characterize an emotion would inhibit the elicitation of an emotion characterized by opposing cognitive appraisals. For example, anger and sadness are both negatively-valenced emotions, but anger is associated with appraisals of individual control for negative events. Sadness, on the contrary, is associated with appraisals of situational control for negative events (Smith & Ellsworth, 1985). We proposed the sense of individual control associated with anger should result in sadness-inducing events eliciting less sadness in angry individuals.

Study 1

The goal of the first study was to examine if the elicitation of an emotion associated with appraisals of individual control would diminish the elicitation of an emotion associated with situational control in a subsequent unrelated situation (i.e., does the elicitation of anger reduce the elicitation of sadness?).

Method

Seventy-nine male undergraduate students participated in the study for course credit. After completion of a baseline emotion measure, participants were told they would be completing two imagination tasks. Participants were randomly assigned to an anger or neutral condition where they watched a previously validated video clip from *My Bodyguard* or a *National Geographic* special, respectively (Gross & Levenson, 1995; Lerner, Small, & Loewenstein, 2004). Participants then completed a corresponding essay, consistent with previous emotion induction procedures (see Lerner et al., 2004). Immediately after the essay task, participants reported how intensely they felt 24 emotions; 3 items were of primary interest for each of 3 emotions. Composite scores were calculated for anger ($\alpha=.98$), sadness ($\alpha=.86$), and neutral ($\alpha=.80$). Neutral-condition participants reported feeling more neutral than angry, ($M_s=3.6$ versus 1.1 respectively), $t(39)=9.79$, $p<.01$. Angry-condition participants reported feeling more angry than neutral, ($M_s=5.4$ versus 1.7 respectively), $t(38)=9.79$, $p<.01$. For the

second task, all participants watched a previously validated video clip for sadness from *The Champ* (Gross & Levenson, 1995). The corresponding essay task was completed next. Participants then reported how much they felt 24 emotions; 3 items for sadness were of interest ($\alpha=.87$).

Results

To test the hypothesized effect of less sadness elicited for angry-condition participants, we measured the change in reported sadness. Change in sadness was calculated as sadness reported after the second video clip minus the sadness reported after the first video clip. Consistent with the hypothesis, angry-condition participants reported less increase in sadness than neutral-condition participants ($M_s=2.7$ versus 1.9 , respectively), $t(78)=2.50$, $p<.05$. This study demonstrated that the elicitation of anger can reduce the subsequent elicitation of sadness.

Study 2

The second study extended findings from Study 1 by 1) examining the transition from sadness to anger (i.e., examining whether the elicitation of sadness reduces the elicitation of anger) 2) using an economic game for elicitation of the subsequent emotion and 3) investigating the carryover to judgments. For the anger induction, participants received either an unfair offer ($\$2_{\text{other}}/\8_{self}) or fair offer ($\$5_{\text{self}}/\5_{other}) from their partner in the second round of the dictator game after making a fair offer in the first round of the game. A pretest indicated that receiving an unfair offer resulted in more anger than receiving a fair offer ($M_s=3.9$ versus 1.9 , respectively), $t(17)=2.25$, $p<.05$.

Method

Fifty-seven undergraduate students participated in the study for course credit. After completion of a baseline emotion measure, participants were told they would be completing two separate studies combined for convenience. Participants were randomly assigned to a sadness or neutral condition where they watched a video clip from *The Champ* or a *National Geographic* special, respectively (Gross & Levenson, 1995; Lerner et al., 2004). Participants then completed a corresponding essay.

Next, all participants completed the economic game. They were assigned to the decision maker role in the first round and the receiver role in the second round, where they received an unfair offer ($\$2_{\text{self}}/\8_{other}). Participants immediately reported how much they felt 24 emotions; a composite for anger was calculated ($\alpha=.95$). Participants then completed a future life events questionnaire composed of 6 items (4 positive, 2 negative). These items served as a measure of optimistic risk perceptions similar to those used by Lerner and Keltner (2001).

Results

To test the hypothesized effect of less anger elicited for sad-condition participants, we examined self-reported anger after receiving an unfair offer in the dictator game. Consistent with the hypothesis, sad-condition participants reported less anger than neutral-condition participants ($M_s=2.83$ versus 4.13 , respectively), $t(55)=2.49$, $p<.05$. Additionally, sad-condition participants were less optimistic about future life events than neutral-condition participants ($M_s=5.98$ versus 6.55 , respectively), $t(55)=1.94$, $p=.05$. These results demonstrated that sadness from a previous unrelated situation not only attenuated the subsequent elicitation of anger but also affected judgments about future life events (Lerner &

Keltner, 2001). Mediation analysis (see Baron & Kenny, 1986) revealed that self-reported anger mediated the effect of emotion condition on optimism for future life events.

Study 2 extended Study 1 findings by demonstrating that sadness from a previous situation attenuated the experience of anger in a subsequent angering situation. The results also corroborated our findings by illustrating that emotions from a previous situation also influenced individuals' judgments, such as optimistic risk perceptions. In both studies we observed that an incidental emotion induction (i.e., anger, sadness) attenuated the extent to which a participant reported experiencing a subsequent emotion with contrasting cognitive appraisals for control. These results have implications for understanding how prior emotion experiences systematically impact subsequent elicitation of emotion and judgments.

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THE EFFECT OF EXPECTATIONS ON SITUATIONAL HAPPINESS

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ABSTRACT

While previous research has examined the effect of expectations on consumer satisfaction in a service encounter (e.g., Parasuraman, Zeithaml, and Berry 1985), we extend this research by examining the effect of prior expectations on feelings of happiness in a variety of contexts that involve the anticipation of money, time, and social interactions. Whereas the service encounter literature focused primarily on the valence of an expectation, we take into account another dimension that may affect the magnitude of the disconfirmation experience – i.e., uncertainty of an expectation. We cross these two factors and examine the respective influence of four different types of expectations on happiness when the actual event outcome either matches the initial expectation, exceeds it or is below it.

Based on neuroscience evidence, we hypothesize that if an outcome is expected the amount of happiness generated is the same as that generated by the expectation. Only when the outcome differs from the expectation will there be a difference in happiness relative to the expectation. Schultz, Dayan and Montague (1997) examined the activation of midbrain dopaminergic neurons in monkeys while they performed behavioral acts and received rewards. They found that after repeated pairings of visual and auditory cues followed by a reward, dopamine neurons in monkeys changed the time of their phasic activation from just after the time of reward delivery to time of cue onset. When the expected reward was obtained, dopaminergic neurons maintained their baseline activity. When the expected reward was omitted, however, the activity decreased significantly below the basal firing rate with cue onset. These results suggest that dopamine neurons, which have been associated with the sensation of pleasure in humans (e.g. Berns, McClure, Pagnoni and Montague 2001), encode expectations about external stimuli or reward rather than the outcome per se.

One hundred and eighty-six undergraduate students at the University of Toronto received course credit in exchange for their participation. Twelve different scenarios were constructed for the purpose of the study. The scenarios were created to reflect life events that our undergraduate participants might experience, if they had not already. The content varied from events such as having one's watch repaired to attending a party hosted by a friend. For each scenario an expectation was created that differed with respect to valence and uncertainty, which were fully crossed.

The valence of the expectation was induced by *explicit* depictions of either having a pessimistic or optimistic view of the anticipated event. With respect to "having lunch with an old friend," for example, participants in the positive conditions were told that they had only *pleasant* memories of the friend and were eager to catch up on lost times. In the negative conditions, they were told that they had only *unpleasant* memories of the friend and were not looking forward to having lunch together. Uncertainty of the expectation was induced by providing a range for the expected outcome for money and time. In the scenarios that involved money, for example, the anticipated amount of money was given in terms of a fixed amount in the certain conditions (e.g., 150 dollars) or a range with the fixed amount given as the midpoint in the uncertain conditions (e.g., 50-250 dollars). For social interactions,

uncertainty was induced via one's past experience (e.g., mixed vs. consistent experience) and/or a source that was either deemed reliable (e.g., close cousin) or unreliable (e.g., randomly heard).

Finally, for each expectation there was a baseline (expectation only), an expectation and an outcome that either matched the expectation, exceeded it, or was below the expectation. For the uncertain conditions, the *worse* outcome was consistent to the lowest possible amount of money expected (e.g., 50 dollars when expecting 50-250 dollars) or longest possible wait time expected (e.g., 9 days when expecting 5-9 days for the book to arrive) whereas the opposite was the true with the *better* outcome (e.g., 250 dollars, 5 days). The *same* outcome was identical for the certain and the uncertain conditions (e.g., 150 dollars, 7 days). Consequently, every scenario had 16 different variations, each representing one of the 16 cells in our 2 (valence) x 2 (uncertainty) x 4 (outcome) between-subjects design. Participants were asked to report the level of happiness that they would feel on a 9 point scale if they had experienced that scenario (1: very unhappy, 9: very happy). Sixteen different questionnaires were developed containing one of the 16 different variations of each scenario. Thus, none of the scenarios were repeated within a given questionnaire.

A 2 (Uncertainty) x 2 (Valence) x 4 (Outcome) ANOVA of the level of happiness indicated a highly significant main effect of valence, a highly significant main effect of outcome, and a highly significant valence by outcome interaction. There were large significant differences in happiness when the expectation alone (baseline) was positive and when it was negative (6.60 vs. 3.58). The effect of the same outcome as the expectation paralleled the effect of the baseline and was somewhat higher, however, it was significantly higher only with a negative expectation (4.36 vs. 3.58). The effect of a better outcome resulted in greater happiness relative to the baseline. This difference was significantly larger with an expectation of a negative outcome (6.98 vs. 3.58) as well as a positive outcome (7.68 vs. 6.60). The opposite happened when the outcome was worse than the expectation. Both were lower than the baseline, however, this difference was only significant when the expectation was positive (3.77 vs. 6.60) than when the expectation was negative (3.14 vs. 3.58, $p = ns$).

When somewhat different results were obtained, they involved two different effects, both involving uncertainty. The first involved significant differences between the baseline and when the outcome was the same as the expectation. For two of the scenarios, Exam and Watch, under negative uncertain expectations, the happiness from the latter condition was significantly greater than the former condition. Since the differences between the baseline and the condition where the outcome was the same as the expectation were small and nonsignificant in all the other scenarios, these two scenarios were major contributors to the significant effects obtained between these two conditions across all the scenarios. The second major effect involved uncertainty. In seven of the scenarios there was an effect of uncertainty, all of which would seem to represent important events.

Our findings indicate that expectations clearly influence the happiness experienced when an outcome occurs. If the outcome matches the expectation the amount of happiness is subdued. If the outcome is better than expected it generally results in significantly more happiness. However, this is significantly greater for negative as opposed to positive expectations. If the outcome is worse, then the opposite occurs. Happiness is significantly worse for a positive as opposed to a negative outcome. For some scenarios certainty also had an effect on happiness. These seemed to be scenarios for events that would be very important to our participants.

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APPRAISALS OF CONSUMER SERVICE FAILURES: EMOTIONAL RESPONSES AND ACTION TENDENCIES

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ABSTRACT

In contrast to the relatively large bodies of research into the measurement of emotions and their effects on evaluations, judgment, and choice, little research exists showing how emotions arise in consumer contexts. The present study examines the basis for emotional responses and uses appraisal theory as the underlying conceptual framework (e.g., Lazarus, 1991; Roseman, 1991; Smith & Ellsworth, 1985). At the same time, action tendencies that stem from the basis of emotional response and accompany the emotions are examined (e.g., Frijda, Kuipers, & ter Schure, 1989). The context for study is consumer service failures. We review appraisal theory and action readiness research and then present our hypotheses, followed by methodology and interpretation of findings.

Many emotions occur in response to events happening to consumers, where the particular emotional reaction and its intensity are mediated by cognitive appraisals. Roseman (1984, 1991) suggested that particular emotional responses depend on a combination of 5 appraisals: motive consistency, appetitive-aversive, certainty, power and causal agency. We will elaborate on two specific combinations of appraisals and emotions investigated in the present research when we discuss our hypothesis below.

Emotions are not the only psychological responses directly arising from experienced events. To the extent that people experience events that are appraised as emotionally relevant, they are also likely to experience states of action readiness which are characterized by “prewired action patterns” corresponding to enhancement of or harm to one’s goals or motives (Frijda, 1986).

Frijda et al. (1989) and Roseman et al. (1994) found that specific appraisals are associated with both emotions and action readiness in patterned ways.

Hypotheses: Two characteristics common to many consumer service failures are motive inconsistent outcomes (i.e., negative outcomes) and the attributed causal agency of the outcomes. In our experiments, we manipulate motive inconsistency by creating two levels of inconsistency: high vs. low, and we do this under three sources of causal agency: self, other person, circumstances. Specifically, we suggest:

Hypothesis 1a: Consumer anger should be greater when the source of a service failure is attributed to another person than when attributed to either the self or circumstances, regardless of the magnitude of the failure.

Hypothesis 1b: Consumer anger should be greater when a service failure is caused by another person, the greater the magnitude of the failure.

Likewise, because action readiness also depends on appraisals in a manner similar to that found for emotions, we hypothesize that the effect of causal source on action tendencies should depend on the degree of motive inconsistency. Thus we propose:

Hypothesis 2a: Consumer action tendencies should be greater when the source of a service failure is attributed to another person than when attributed to either the self or circumstances, regardless of the magnitude of the failure.

Hypothesis 2b: Consumer action tendencies should be greater when a service failure is caused by another person, the greater the magnitude of the failure.

Sadness or disappointment should also be functions of causal agency and magnitude of a failure. But unlike the case of anger where even small losses attributed to another person can induce significant feelings of anger over and above that attributed to losses by the self or circumstances (i.e., even small, seemingly trivial insults can induce anger), we expect sadness to differ between losses attributed to another person versus self or circumstances only under high motive inconsistency. Hence, we posit:

Hypothesis 3a: Consumer sadness or disappointment should be greater when the source of a service failure is attributed to another person under high versus low magnitudes of failure.

Hypothesis 4a: Consumer sadness should be greater when a service failure is caused by another person, the greater the magnitude of failure. The above hypotheses will be tested under two separate conditions: where the protagonist is the self and where the protagonist is another gender neutral person.

Method

Participants read a paragraph-long story about events that happened in a service context and information relevant to the appraisals was systematically varied, and participants rated both the intensity of their own and the protagonist's emotions and action tendencies that they felt and that they believed the protagonist felt in response to the events.

Experimental Design and Materials

With respect to the appraisal information in the stories, a 2 (motivation state: low/high motive inconsistency) x 3 (causal agency: self/other person/circumstances) between subjects factorial design was employed. Participants were exposed to a version of the story that resulted in an automotive repair expense of either \$36 (low motive inconsistency) or \$536 (high motive inconsistency) and was a consequence of either one's own actions (rocking the car inappropriately while stuck in the snow: self caused), the actions of a valet while parking the car (the valet carelessly runs over a concrete divider: other person caused), or the chance running over an unseen brick on the highway (circumstance caused). (n = 200; men = 59.5 percent).

Emotions

The two focal emotions in this study were "anger" and "sadness", with each, respectively, measured by 5 and 3 11-point unipolar items ranging from "not at all" to "very intensely." The two focal action tendencies for "anger" and "sadness" were measured. The reliabilities of the measures were adequate.

Results

Our analyses show support for most of our main hypotheses.

Discussion

Consistent with appraisal theory (e.g., Lazarus, 1991; Roseman, 1991), it was found that it is the interaction of appraisals that leads to emotions. Specifically, anger was found to arise when the source of a consumer service failure was another person (as opposed to either the self or circumstances), and this happened regardless of the magnitude of the failure. It was also found that consumer anger is greater, when caused by another person, the greater the magnitude of the failure. Similarly, sadness or disappointment was found to occur when the source of the service failure was attributed to another person, but only under high but not low magnitude of failure. We thus see that both anger and sadness result when the cause of failure is attributed to another person, as opposed to the self or impersonal circumstances.

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ATTENTIONAL CONTRAST DURING SEQUENTIAL JUDGMENTS: A SOURCE OF THE NUMBER-OF-LEVELS EFFECT

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ABSTRACT

Normatively, people should be sensitive to changes in the range of attribute levels, but not to changes in the number of attribute levels within a specific range. Yet, several studies from the conjoint literature show that derived importance weights increase with increases in the number of attribute levels, range held constant (e.g., Currim, Weinberg, and Wittink 1981).

In searching for methods to control for the number-of-levels effect, several accounts of the effect have been offered. First, it has been proposed that the number-of-levels effect is related to the data collection method, the measurement scale for the dependent variable, and the parameter estimation procedure. Although tests of these methodological accounts have allowed researchers to reduce the size of the number-of-levels effect, no methodological adjustment has completely eliminated the bias. Second, researchers have acknowledged that the effect could be a consequence of attentional processes. More specifically, it has been proposed that respondents may assign more weight to attributes with more levels because novel attribute levels draw attention or because more attribute levels results in a level changing more frequently across profiles. These accounts rely on non-relational directed attention because the number-of-levels effect for one attribute is predicted to be independent of the number of levels of the other attributes (e.g., moving from a 2x2 design to a 4x4 design will increase the absolute importance of both attributes). Several studies have included one or more tests of non-relational directed attention, but have failed to find support for the hypothesis.

Since methodological factors and psychological accounts based on non-relational directed attention cannot fully account for the number-of-levels effect, there may be other sources of the number-of-levels effect. We propose that one such source is attentional contrast—attention directed towards relatively more novel attribute levels in sequential judgments, reflected in attribute importance. The attentional contrast account predicts that people direct attention away from attribute levels they have seen more often and towards attribute levels they have seen less often. For example, in a 4x2 design, the first attribute has four levels and each of these levels will be experienced twice in a full-factorial design. The second attribute has two levels and each of these levels will be experienced four times in a full-factorial design. Thus, within a profile, the levels of the first attribute will be *relatively* more novel than the levels of the second attribute. Attention will contrast away from the more common levels of attribute two and toward the less common levels of attribute one. This relational directed attention explanation differs from non-relational directed attention explanations in that the novelty of an attribute level depends on the number of levels of the other attributes in the design.

The proposed attentional contrast explanation is consistent with two observations from the number-of-levels effect literature. First, the number-of-levels effect is more likely to be obtained using a decompositional method than a compositional method. A decompositional method asks respondents to provide multiattribute judgments for the full-profile descriptions of alternatives. In a decompositional

method, attribute levels are repeated across profiles but the repetition may not be uniform. The differential repetition of the levels of the attributes allows attentional contrast to operate within a profile. Compositional methods ask respondents to assign values to each level of an attribute. The values are combined to construct an overall evaluation of an alternative. In a compositional method, each level of an attribute is repeated only once and it is repeated out of context, so attentional contrast cannot operate. Our second observation is that the designs used in studies of the number-of-levels effect invariably compare conditions in which the number of levels of more than one attribute is varied concurrently (i.e., varying the number of levels of attribute 1 is confounded with varying the number of levels of attribute 2). For example, consider an experiment in which participants respond to a 2x4 design (i.e., attribute 1 has two levels and attribute 2 has four levels) or a 4x2 design. If one finds that the derived importance weight on attribute 1 is larger in the 4x2 condition than in the 2x4 condition, then the weight difference may be due to the increased number of levels of attribute 1 (i.e., absolute novelty of the levels of attribute 1) or to the accompanying decrease in the number of levels of attribute 2 (i.e., relative novelty of the levels of attribute 1). In other words, the number-of-levels effect may not be caused (solely) by the increased number of levels of an attribute. It may also be caused by the reduced number of levels of other attributes in the experimental design. It is important to note that all published demonstrations of the number-of-levels effect concurrently vary the levels of two or more attributes.

Three experiments, each using three designs, examined whether attentional contrast contributes to the number-of-levels effect. These designs were investigated using two different procedures. The first procedure emphasized external validity, while the second procedure emphasized internal validity. The first procedure used a choice-based conjoint task and a hierarchical Bayesian estimation technique. The second procedure used a full profile task with reservation price estimates as the dependent variable and an ANOVA analysis technique. In experiment 1, we show that the number-of-levels effect occurs only when one attribute has more levels than a second attribute (i.e., a relative novelty effect). In experiment 2, we manipulate the relative novelty of one attribute's levels and produce a "number-of-levels effect" when both attributes have the same (absolute) number of levels. In experiment 3, we use a design in which the levels associated with an attribute having fewer levels are made relatively more novel than levels associated with an attribute having more levels and obtain the "number-of-levels effect" on the attribute having fewer (absolute) levels. The results of the three studies show that the relative novelty of attribute levels contributes to the number-of-levels effect.

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**THE IMPACT OF INFORMATION DELIVERY:
CAN SIMPLY PRESENTING PIECES OF INFORMATION
TOGETHER OR APART AFFECT JUDGMENT?**

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ABSTRACT

The objective of the current research was to examine individual's judgments of two pieces of information when they are presented closely together as opposed to separated apart. Building on the Renewable Resources Model (RRM) and the notion of diminishing sensitivity, we demonstrate through two studies that simply providing two pieces of information close to each other as opposed to separately apart decreases their combined effect on judgment.

Introduction

RRM suggest that individuals have limited resources that they spend when they deal with both positive and negative events and that people have less negative reactions to negative information if the components are received separately in time (Linville and Fischer 1991). We argue that when two pieces of information are presented apart, individuals experience two separate reactions. However, when they are presented together, to some extent they are perceived as a single, although possibly larger piece of information, leading to a single reaction. The question is which format leads to an overall greater effect: two separate reactions or one combined reaction?

To address this question, we draw on one of the principles of prospect theory (Kahneman & Tversky 1979). According to diminishing sensitivity, the marginal value of gains and losses decreases with their existing size. Specifically, the value of practice that may add to learning decreases when base knowledge increases. Previous research on the impact of separating and combining gains and losses has focused on the impact of experiences. In the current study, we investigate the impact of altering the relative position of pieces in delivering information.

We propose that mere proximity of two negative pieces of information will make people view them less as two individual losses and more as one single loss, though potentially bigger than each individual one. This in turn would lead to an overall attenuated psychological impact of the bad news. That is to say, two components of bad news may generate a smaller influence on people's evaluation when they are presented closely together than when they are presented separately from each other.

Study 1

Participants were seventy-nine undergraduate students from a large Midwestern university. All participants read a scenario asking them to imagine that they have graduated and got a job that required them to work on weekends twice a month. The study followed a 2 (display of job description: together vs. separate) x 2 (nature of job description: boring vs. normal) between-subject design.

As expected, the normal weekend job received better evaluations than the boring weekend job ($M = 3.73$ vs. $M = 2.46$), $F(1,77) = 14.04$, $p < .01$. In addition, job evaluations were not affected by the display of the job description in the text or the interaction between job description and display (both p 's $> .30$). For the percentage of salary reduction that participants were willing to accept to switch jobs, surprisingly we found no main effects (both p 's > 0.30), but we found the predicted interaction between position and job description, $F(1, 76) = 4.92$, $p < .05$. When job description was separated from weekend requirement information, participants were willing to give up more of their salaries to part with the boring weekend work activity than with the neutral work activity ($M = 9.86\%$ vs. $M = 6.43\%$), $F(1, 41) = 4.94$, $p < .05$. However, in support to our hypothesis, when the job description was presented close to the weekend requirement information, participants were insensitive to it in estimating their statement of salary reduction, $F(1, 36) = .98$, $p > .33$.

Study 2

Study 2 was conducted in order to rule out the alternative explanation based on recency or saliency of the job description information. In addition to the procedure as in study 1, participants were asked to allocate 100 points representing the relative influence of the two pieces of information, namely the frequency of the work on weekends and the type of work on weekends, on their salary reduction responses.

When the pieces of information were separated, we replicated the pattern observed in study 1. When the two pieces of job information were close to each other in the end of the text, participants were insensitive to the job description. Our measure of relative importance of each piece of information provides further support for our hypothesis. The relative importance of job description (and consequently of job frequency) was not affected by the type of job in the together condition ($M = 46$ vs. $M = 48$, $F(1,44) = .23$, $p > .60$). Parting with a negative job description had more impact than parting with a neutral job description in the separate condition ($M = 56$ vs. $M = 41$, $F(1,45) = 4.93$, $p < .05$).

Conclusion

Together, our results suggest that the total impact of different pieces of information will be enhanced when they are presented separately from each other compared to when they are presented altogether. Our findings extends with a new angle the effects of diminishing sensitivity showing that even without a numerical stimuli that facilitates integration of pieces of information, or any change in information content that would lead to grouping separate pieces of information, we can still produce significant differences in the way people process and react to information by making a simple change to the relative positions of the pieces of information. We also derived predictions for the RRM as how to minimize negative and boost positive reactions to information.

The grouping effect in attenuating impact of news has great managerial implications. When good news are communicated, such as membership rewards and perks of a new job, it is advisable to provide some separation to make sure that they are not viewed as a single positive piece of information. Separating the good news enhances the positive reaction. In terms of bad news, our findings suggest that whenever there are more than one bad new to be given, it helps deliver them together in attempt to make the audience perceive them as a single bad news.

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ORDER IN PRODUCT CUSTOMIZATION DECISIONS

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ABSTRACT

A distinctive feature of the modern consumer world is the possibility of customizing a product to a consumer's exact specifications. Customization contributes to consumer welfare because it enables each consumer to select an attribute bundle that comes as close as possible to matching her preferences; greater variety within each attribute increases the likelihood that she will obtain *exactly* the option that maximizes her utility. One decision variable for firms that provide customizable products is how to order the product attributes in the configuration process. Does this order ultimately matter, even in cases where any attribute decision is reversible at any point in the configuration?

We argue and demonstrate empirically that order of attribute presentation can exert an important influence on what bundle of attributes a consumer purchases because considering alternative attribute levels is mentally depleting. In addition, we characterize the pattern of mental depletion and show that it creates an opportunity that firms can exploit. The basic experimental treatment we discuss below involves a major durable product possessing multiple attributes that is configured by a consumer. Each attribute includes multiple options for the consumer to choose from; different attributes have different numbers of options. The configuration process is ordered either such that the attributes with a greater number of options come first in the sequence and are followed by the attributes with a smaller number of options, or vice versa. This is our only experimental treatment.

Our argument relies on three basic premises. The first is that in many cases the prospective utility from an option is assessed at the time of the decision (Payne, Bettman and Johnson 1993); options that elicit utility beyond some minimum threshold level are more likely to be chosen. The second premise is that assessing utility requires effort that depletes a limited mental resource. This idea is inspired by research in psychology and economics in which self-control is modeled as a muscle: as self-control is exerted, one's capacity for self-control in subsequent situations is depleted unless there is adequate rest (Muraven and Baumeister 2000). The third premise is that consumers are partially "myopic" in their allocation of mental resources. Instead of distributing their mental effort efficiently across the configuration process, we invoke the Gabaix, Laibson, Moloche and Weinberg (2006) directed cognition model to predict that consumers will behave as if the current decision in a sequence is practically their last (despite the fact that in our experiments it is obvious that subsequent decisions will follow). Consequently, in our setting consumers "overspend" their capacity early in the configuration sequence, leaving them with fewer resources to assess their utility from subsequent attributes in the sequence.

In product customization decisions these three premises can conspire to produce inconsistent choices. More specifically, as with self-control encounters, we suggest that the effort invested in previous attribute decisions affects subsequent attribute decisions because the previous decisions deplete people's capacity to evaluate options. Here, however, depletion is a function of not only the number of

decision “encounters” (i.e., attribute decisions) the consumer has undertaken, but also the number of options that she had to evaluate at each stage. We focus on the combined effect of these two factors, and how they influence revealed preferences. Our thesis is that early decisions in a customization sequence affect subsequent decisions in the sequence because the early decisions deplete people’s mental capacity, but that this depletion effect depends upon whether or not the early decisions involve attributes that are high in number of options (high variety) or low in number of options (low variety).

People’s depleted capacity may heighten the difficulty—and sometimes also reduce the likelihood—of finding any option to be above their minimum utility threshold and hence to be chosen. Such an experience of “choice overload” can prompt people to forgo making a choice altogether or, when avoidance is not a practical or possible alternative to making a choice, it can prompt them to embrace options that are simple and easier to understand (Iyengar and Lepper 2000; Iyengar and Kamenica 2007). The simplifying strategy that we focus on in our experiments is people’s likelihood of accepting the default alternative for a given decision in the sequence. Defaults simplify choice because they reduce decision effort and can sometimes be interpreted as options that are endorsed by the firm or policy-maker and their influence on revealed preferences is pervasive (Johnson and Goldstein 2003).

As mentioned earlier, our experimental treatment manipulates the configuration process such that the attributes with a greater number of options come first in the sequence and are followed by the attributes with a smaller number of options or vice versa. Normatively the sequence should not affect choices or willingness to pay; the same preference should be revealed irrespective of the sequence. If, however, choices are sensitive to the stock of capacity to evaluate options, then each sequence should yield different revealed preferences because decision makers will be depleted at different parts of the sequence depending on the experimental condition. In particular, we predict that people who encounter high variety, depleting choices early in the sequence will evince a tendency to accept the default alternative in subsequent decisions even if these decisions involve relatively few options that would ordinarily require less capacity to evaluate. In contrast, those who begin the sequence with less complex decisions offering fewer options to choose from will evince little effect of depletion later in a sequence, even if these subsequent decisions are of the complex, high variety sort. This differential depletion pattern provides firms with an opportunity to extract higher revenues from their customers by manipulating the order in which firms present product attributes and the option that they select as the default alternative. We conduct our empirical tests of depletion and its consequences in three field experiments involving financially consequential choices: custom made men’s suits and automobiles.

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EFFECTS OF EMOTION ON JUDGMENTS AND DECISIONS ABOUT HUMANITARIAN AID

Special Session Chair:

A. Peter McGraw, University of Colorado

Discussion Leader:

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WHO TO HELP? IMMEDIACY BIAS IN HUMANITARIAN AID ALLOCATION

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ABSTRACT

Deciding how to allocate charitable resources toward minimizing human suffering is among the most important and most difficult decisions consumers face. Donation decisions are difficult largely because people are exposed to information about different sources of human suffering over time, in sequences that may reflect the whims of popular media (CNN) and pop icons (Bono and Angelina) more than genuine differences in the severity of human suffering. The question we examine is how consumers perceive different, emotionally arousing sources of human suffering presented over time, and how these perceptions influence consumers' decisions about humanitarian aid allocation.

Perception of Emotion and Human Suffering

Previous research indicates that people exhibit an immediacy bias in emotion perception such that immediate emotions seem more intense than previous emotions, all else equal (Van Boven, White, & Huber, 2008). This immediacy bias occurs for at least two reasons. First, immediate emotions attract and hold attention. Second, information about immediate emotions is more available in memory than information about previous emotions. Immediate emotions may therefore seem more intense than distant emotions to the degree that people use attention and availability to judge emotional intensity.

Judgment and decision making research indicates that affect strongly influences economic preferences, including preferences about allocating humanitarian aid (Kahneman, Ritov, & Schkade, 1999; Slovic, Finucane, Peters, & MacGregor, 2002). People donate more money to victims who arouse more intense affect than to victims who arouse less intense affect, independent of, and sometimes in spite of, information about the mortality magnitude of human crises. For instance, people sometimes donate more money to single victims than to large numbers of victims because the large numbers of undermine affective reactions (e.g., Small, Loewenstein, & Slovic, 2007).

Integrating research on the immediacy bias and on the affective basis of economic preferences, we hypothesize that consumers perceive human suffering that happens to arouse immediate emotional arousal as more severe compared with human suffering that happened to have aroused previous emotional arousal. We also test whether this immediacy bias is associated with neglect of information about the crises' deadlines, and whether the immediacy bias decays over time as emotions decay.

Study 1

Participants watched two short films provided by Doctors Without Borders (DWB) regarding humanitarian crises in Sudan and Niger. Participants viewed the videos in random order, separated by 20 min. Directly after learning about the second crisis, participants were asked to allocate charitable money to DWB's activities in the two locations. Consistent with the immediacy bias, most participants (67%) allocated significantly more charitable funds to the crisis they happened to learn about second than to the crisis they happened to learn about first.

Study 2

We next sought to conceptually replicate the immediacy bias demonstrated in Study 1 with two extensions. First, we explicitly provided participants with (fictional) information about the deadlines of the two crises; this allowed us to test whether people would exhibit an immediacy bias in spite of information about the crises' deadlines. Second, we measured perceptions of human suffering and charitable actions both immediately after learning about the crises and after one day's delay, which allowed us to test whether the immediacy bias declined over time as emotions presumably subsided.

Participants watched two short DWB videos, in random order and separated by a 20 min delay, about malnutrition in Angola and Niger. Participants also read summaries of the circumstances of the two crises, which made clear that 60,000 more people were dying in one randomly determined crisis. Consistent with the immediacy bias, participants reported that they were significantly more upset while watching the second rather than the first video, and that the crisis they happened to learn about second was more deserving of humanitarian aid than the crisis they learned about first. When participants were asked to write a letter to their Senator calling attention to the suffering in one of the crises, 65% chose to write about the country they happened to learn about second. Importantly, people exhibited this immediacy bias even when it was clear that more people were dying in the first rather than the second crisis participants learned about. Finally, there was no hint of an immediacy bias when participants returned the following day, when their emotions had presumably subsided.

Study 3

In our final study, we sought to replicate the immediacy bias, but with an extended sequence of four (rather than two) DWB videos of crises separated by minimal delay of 2 min (rather than 20 min). Doing so would minimize concerns that the immediacy bias is due primarily to memory decay. We also sought to reconcile an apparent inconsistency between our results and previous research suggesting that people allocate more funds to charitable causes that occur earlier rather than later in a sequence (Payne, Schkade, Desvovages, & Aultman, 2000). We hypothesize that both patterns reflect an immediacy bias, rather than some other difference between our research (e.g., our focus on humanitarian suffering and the previous research's focus on environmental programs). Regardless of the type of pattern (immediacy or primacy) people respond to their immediate emotions, and these emotions are influential late in the sequence when allocations are made after viewing all the videos (i.e., post hoc) but emotions

are influential early in the sequence when allocations after made after watching each video (i.e., sequentially).

Participants watched four randomly ordered videos about African humanitarian crises. When participants allocated funds after viewing all four videos, as in our previous studies, they allocated a disproportionately higher amount to the final crisis. In contrast, when participants allocated funds sequentially, as in previous research on sequence effects, they tended to allocate more money to the first (rather than the last) crisis.

Conclusion

These studies document an important bias in people's judgments and decisions about allocating charitable resources toward mitigating humanitarian suffering. Integrating research on emotion perception and the affective basis of economic preferences, these studies demonstrate that people exhibit an immediacy bias in judgments and decisions about humanitarian suffering.

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THE FACE OF NEED: EMOTION EXPRESSION ON CHARITY ADVERTISEMENTS

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ABSTRACT

Pictures of victims on charity appeals attempt to elicit the reactions, both emotional and cognitive, thought to engender sympathy and prosocial behavior. Research on the identifiable victim effect (e.g., Small and Loewenstein, 2003) and the relative advantage of vivid over pallid information (e.g., Nisbett and Ross, 1980) support this notion. Pictures 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.

In this paper, we emphasize that facial expression of emotion displayed in pictures of victims is a critical determinant of sympathy and giving. Although there is much research on *experienced* emotion and prosocial behavior (Carlson and Miller, 1987 for a review; see also Clark et al., 1987), 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 expressing emotion. Thus, this paper's primary contribution is to provide insight about how emotion expressions on advertisements influence consumers and their behavior.

Before proposing our theoretical framework, we first examine what charities are actually doing. We coded all website home pages 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, with

happiness the most common facial expression (37.5%). In contrast to expressions of happiness, 8.3% depicted a person expressing sadness, 9.6% expressed neutral emotion, and the remaining images depicted at least two victims with unmatched expressions. This variation suggests that charity marketers either do not have a common theory about how emotion expressions matter, or that they simply have not thought about it or considered it an important determinant of prosocial behavior.

Yet psychologists know that the facial expression of emotion is fundamental for human social interaction. The face, with its endlessly intriguing capability for communication, is thought to be the primary nonverbal channel for the communication of emotion (Ekman et al., 1972; Keltner et al., 2003). In addition to communicating information, facial expression of emotion elicits vicarious emotion in observers, a phenomenon called *emotional contagion* (Hatfield et al. 1992; Hatfield et al., 1994; Neumann and Strack, 2000).

Building on emotional contagion theory, we propose that people “catch” the emotions displayed on a face on a charity advertisement. To empathize with someone else’s negative feeling state is, in most cases, also to feel sympathetic towards them (Loewenstein and Small, 2007). Therefore, we argue that when a victim expresses sadness, an observer shares that pain. This emotional convergence of sadness, in turn, facilitates sympathy and giving.

The four studies presented 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 the propensity to give. After we established this phenomenon using actual donations, studies 2-4 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. That is, participants were sadder when they saw a child’s face expressing sadness, which in turn mediates the effect of victim emotion expression on sympathy. 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. Finally, Study 4 found that the effects of sympathy are robust even when people select which advertisements to view.

Importantly, several lines of evidence support the notion that emotional contagion of sadness from the sad-faced image is an automatic, non-inferential process. Participants were not aware that the facial expression was influencing their sympathy. We also found no differences in perspective taking as a function of emotion expression. Finally, cognitive load failed to moderate the effects.

This research draws attention to a sympathy-generating attribute of charity appeals that has been neglected 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, and the first to examine emotional contagion effects from photographs on any kind of print advertisements. In sum, we illustrate when and how a sad expression enhances sympathy and giving. Taken together, the findings imply the importance of subtle emotional cues that sway sympathy and giving.

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NO RIGHT TO BE MAD: DENYING OUTGROUPS ANGER AND DENYING HELP TO ANGRY OUTGROUPS

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ABSTRACT

Observers' perceptions of the emotional states of ingroup vs. outgroup victims can trigger or impede their readiness to donate or volunteer in the wake of a humanitarian crisis (Cuddy, Rock, & Norton, 2007). A series of experiments document systematic biases in how people ascribe and react to other groups' anger, a privileged emotion often reserved for the ingroup. *Anger denial* involves 1) denying that outgroup victims experience anger and consequently denying them help and 2) ironically, denying help even when outgroup victims *express* anger, mirroring stereotype backlash effects demonstrated in other domains (e.g., women behaving in counterstereotypic ways).

In each experiment, participants read and responded to news articles – modified from actual articles that appeared in the media – about victims of a disaster (i.e., Hurricane Katrina, a fire, a chemical leak, or a tornado) that affected the ingroup (i.e., White victims) or an outgroup (i.e., Black or Latino victims). We manipulated race by using names typically associated with Black Americans (e.g., Shanice), Latinos (e.g., Rosa), or Whites (e.g., Katie).

In the first three experiments, participants read various articles about the aftermath of Hurricane Katrina: a mother who had become separated from her child (Experiment 1a), Katrina victims' loss of temporary housing (Experiment 1b), and the suffering of victims of a particular town that had been destroyed (Experiment 2). After reading the article, participants rated the extent to which they believed the victims were experiencing anger, and also rated them on either fear (Experiments 1a and 1b) or sadness (Experiment 2). The results supported our hypotheses: While participants did not differ in their estimates of the fear or sadness experienced by members of ingroups and outgroups, they did exhibit anger denial, ascribing less anger to outgroup victims than to ingroup victims.

Experiment 3 examined the relationship between ascribed anger and intergroup helping. Participants read about an apartment building fire to which the fire department had responded slowly as the result of a 911 dispatch error. As in Experiments 1a, 1b, and 2, race of victims (White or Latino) was manipulated between-subjects, and participants again were asked to rate the extent to which the victims were feeling angry and afraid. In addition, participants also rated the extent to which they themselves would feel angry and afraid if they were victims of the fire, and were asked how willing they would be to volunteer to help the victims of the fire in the news story. First, we replicated the results from the earlier studies: Participants believed that members of outgroup would experience less anger in response to the fire. More interestingly, these lower ascriptions of anger to outgroup victims predicted participants' willingness to help members of outgroups. For ingroup victims, on the other hand, a different pattern emerged: the extent to which participants themselves felt angry predicted their willingness to help members of their own group.

In short, people perceived outgroup victims as less angry than ingroup victims, and consequently were less likely to want to help them; the extent to which they were willing to help, however, was predicted by their grudging awareness that members of such groups were likely experiencing at least some anger. If people fail to realize that members of other groups experience anger, and this lack of awareness leads to less helping, than one obvious intervention would be to make people aware of the anger that members of outgroups experience, which in theory might promote helping. However, we suggest that while people deny members of outgroups anger (which leads to less helping), they also – ironically and sadly – deny members of such groups help when they express anger, the second component of anger denial.

Experiments 4-6 therefore investigated the relationship between expressed anger and intergroup helping. Participants read about a tornado (Experiment 4) or a chemical leak (Experiments 5 and 6). In addition to manipulating the race of victims, we manipulated the emotions expressed by victims, such that they expressed anger or no emotion (Experiments 4 and 6), or anger or fear (Experiment 5) through both headlines (e.g., “Residents Angry after Toxic Chemical Plant Leak” vs. “Residents Afraid after Toxic Chemical Plant Leak”) and quotes from the victims (e.g., “We’re angry. We’re all very angry” vs. “We’re scared. We’re all very scared”). After reading the stories, participants were asked how likely they would be to volunteer to help victims of the disasters. Results demonstrated that people were less likely to help outgroup victims who expressed anger than those who expressed no emotion (Experiments 4 and 6) or who expressed fear (Experiment 5).

In sum, participants ascribed less anger to outgroup victims than to ingroup victims, but equal fear and sadness, though reported more interest in helping (i.e., donating and volunteering) outgroup victims to whom they *had* ascribed anger. Ironically, however, participants reported less interest in helping outgroup victims, but not ingroup victims, who *expressed* anger. In short, White participants were willing to help members of other racial groups only to the extent that they admitted such victims were experiencing anger – but when those victims actually expressed anger, White participants withdrew their help.

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**PIMPING CULTURE TO THE COLLEGE CROWD:
A COMPARISON OF ALTERNATIVE SOCIAL INFLUENCE STRATEGIES**

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ABSTRACT

The fine and performing arts are widely regarded as essential elements of culture, as revered institutions representing the distillation of high aesthetic ideals – the best products of civilization. They bring a wealth of meaning and richness of experience into the lives of many consumers. Witness that over 80 million Americans (roughly 40% of the adult population) attended at least one arts activity according to the *Survey on Public Participation in the Arts* (2002). Nevertheless, the vitality of the Arts in the U.S. is seriously threatened by a number of vexing challenges (*Economist*, 2003).

One of the central challenges for fine arts organizations is that of attracting the next generation of patrons. In this study we examine the effectiveness of alternative social influence strategies for influencing college students' willingness to spend on a fine arts sampler package, as well as the boundary conditions within which these strategies operate. The college audience is a potentially important segment, not only because of size and spending power, but because education is the best predictor of participation in the arts (Andreasen & Belk, 1980; Lewis, 2001).

Prior research shows that a performance is often merely a context for fulfilling more general social needs, such as the desire to spend time with others (Voss & Voss, 2000). Hence one might expect social proof appeals (Cialdini, 2001) to be effective means for promoting fine arts patronage. Another important influence on arts patronage is price sensitivity (Currim, Weinberg, & Wittink, 1981). As a result of these key social-psychological and economic factors, a common marketing strategy for fine arts organizations is to offer discounts to various target groups. Discounts provide access and encourage trial without degrading the value of the offering by evoking unfavorable price-perceived quality impressions.

In addition to decreasing price, demand can be increased by enhancing perceived value. Scarcity has been shown to strengthen the subjective desirability of objects (Lynn, 1992; Worchel & Adewole, 1975) and is particularly effective when people are unfamiliar with the object (Jung & Kellaris, 2004). Hence targeting prospective patrons by discount offers using social proof and scarcity appeals seem pertinent ways to harness social influence and price sensitivity.

The effectiveness of an influence strategy, however, should depend upon the traits of the audience. For example, one might expect attention to social comparison information (Lennox & Wolfe, 1984) to play a moderating role. This is because high self-monitors (Snyder, 1974) are concerned with social conformity. Hence individuals characterized by high attention to social comparison information should be more prone to a social proof appeal and less prone to a scarcity appeal.

To test these expectations, the authors conducted an experiment using a 3 (scarcity, social proof, mixed appeal) X 2 (low/high ATSCI) between-subjects design with control group. Seventy-three student participants were exposed to a print ad describing a Fine Arts Sampler package, using different social influence appeals under different conditions. Control group participants were exposed to the ad without

the social influence the manipulations. Dependent variables were measures of willingness to spend and behavioral intent vis-à-vis the offer. Additionally, ATSCI, perceived credibility of the offer, and extent of prior fine arts involvement were measured. Participants were exposed to the treatments and measures via self-administered questionnaires in a classroom setting.

Results of initial experimentation show how social influence strategies interact with person traits. Whereas a scarcity appeal appears to evoke greater willingness to spend among individuals characterized by low attention to social comparison information, a social proof appeal appears to be more effective among high ATSCI individuals. Combining the two types of appeals in a single promotion appears to degrade the impact on willingness to spend – particularly among high ATSCI individuals. Perhaps it “cheapens” the fine arts pitch by appearing too “commercial.”

Additionally, willingness to spend differs from the control group under the social proof condition when ATSCI is high, but not when ATSCI is low. Behavioral intent is highly, positively correlated with willingness to spend. Thus, the pattern of effects (social influence X ATSCI) are similar to those for willingness to spend. Past patronage of the arts, interest and involvement, and familiarity with the fine arts are also correlated with willingness to spend and behavioral intent. These preliminary findings illustrate how social influence strategies may interact with person traits to shape arts patronage behaviors.

There are certain features of our study, such as the small sample and limited range of social influence tactics represented, which limit the findings’ generality. Limitations notwithstanding, we believe these preliminary findings are interesting and warrant further investigation. The authors will also share ideas for further research on the topic of how consumer psychology can inform fine arts marketing.

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BETTER THINK BEFORE AGREEING TWICE: THE EFFECT OF MERE AGREEING ON COMPLIANCE

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ABSTRACT

Whether it is to respond to a questionnaire, to sample a product, to visit a website, or to donate to a humanitarian organization ... almost daily people are confronted with compliance requests. Although the consequences of saying yes can be substantial, a growing body of research suggests that people like to rely on well-learned scripts or heuristics to guide their response (e.g., Burger, Messian, Patel, del Prado, & Anderson, 2004; Cialdini, 2001; Garner, 2005). The present paper extends this latter line of research.

The research we report demonstrates that the more participants initially agree on a set of statements (e.g., 'I get happy when the weather is nice'), the more they are willing to help the person who developed the statements afterwards (e.g., by conducting telephone calls for the requester's research project). We emphasize that the process beneath the mere agreeing effect is different from the need for consistency explanation that has proven to be the driver of many compliance increasing tools such as the foot-in-the-door technique (FITD) or the low-ball technique (Cialdini & Goldstein, 2004). A core assumption regarding consistency-based compliance techniques is that targets act consistently with their prior *commitments* like a modest request in the FITD technique or a first acceptable deal in the low-ball technique, conditions that severely reduce the techniques' applicability. In our research, however, we try to enhance compliance rates by triggering agreement with statements, and thus *without* having participants to commit to a preceding modest request or a first acceptable deal.

Our research also demonstrates that perceived similarity between respondents and requester is (at least partly) responsible for the effect of mere agreeing on compliance. In related research, perceived similarity between buyers and sellers has proven to result in greater likelihood of purchase (Woodside & Davenport, 1974), in more cooperation (Mathews, Wilson, & Monoky, 1972) and altruism (Deutsch & Kotik, 1978). Even when the apparent similarities are based on superficial matches such as shared names, birthdays, or fingerprint types, they are capable of increasing compliance rates (Burger et al., 2004; Garner, 2005). Our studies suggest that initial agreement with statements from a requester is enough to increase the perceived similarity with the requester and thus boost compliance rates with a subsequent request for help.

Compliance with a request from someone with whom we share a birthday or with whom we agree is, however, not more rational or justifiable than compliance with a request from someone with a different birthday or with whom we disagree. However, because participants often respond to requests with heuristic processing, they might react as if the request comes from a friend or acquaintance (Burger et al., 2004). Hence, if the increased compliance that we hypothesize in these studies is the result of heuristic processing, it implies that any condition that reduces the impact of heuristic processing, like raising awareness of the level of prior agreement, may reduce or eliminate the relation between mere

agreeing and compliance (see e.g., Pollock, Smith, Knowles, & Bruce, 1998). On the other hand, if mere agreeing on statements changes cooperative behavior through an elaborative mechanism, then raising awareness, such as notifying the respondent of the fact that s/he agreed so many times with a stranger, may leave the effect unaffected or even boost it. In this paper, we apply the reminder procedure to investigate how the effect of mere agreeing on compliance changes when the agreement is made salient.

Respondents in four studies were more willing to comply with a help request if they previously agreed with the person asking for help. In all four studies, the topic of agreement was unrelated to the issue for which help was requested. In Study 1, we explored the effect of mere agreeing on compliance in the setting of a real life telephone survey, using both a correlational and an experimental research methodology. In Study 2, mere agreeing compared to mere disagreeing or responding 'neutrally' enhanced the respondents' perceived similarity with the requester. In Study 3, perceived similarity mediated the effect of mere agreeing on compliance with a subsequent request for help. In Study 4, finally, mere agreeing increases compliance at least partly as the result of heuristics processing: After being reminded of the level of prior agreement, participants corrected for this influence.

In sum, we like to introduce 'mere agreeing with statements' as a novel tool that subtly increases compliance with participation requests. In a telephone survey this increased cooperation can lead to subscribing as a panel member; in a charity context this cooperation might contribute to an increased likelihood of donating money. Since the driving factor, similarity perceptions, is a rather basal mechanism, we assume the tool to be a rather robust strategy, as attested in methodologically rather diverse studies. The agreeing statements worked equally well in a computerized questionnaire among students, as in a real life telephone survey with respondents of all ages and social classes.

Tools that subtly increase compliance can be abused by those who attempt to exploit consumers. Research into protective measures (e.g. akin to our reminder manipulation) should therefore dovetail with the further exploration of the mere agreeing effect. Our research also has implications for survey and scale development. Our findings suggest that using too many items with a high probability of agreement may influence the answers of subsequent questions, that is *if* participants want to use their answers to these questions to get 'approved' by a requester who seems to resemble them.

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INCIDENTAL SIMILARITY BETWEEN THE SALESPERSON AND CONSUMER: EFFECTS ON ATTITUDES AND PURCHASE INTENTIONS

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ABSTRACT

As platforms to publicize ourselves are more easily available, personal profiles are exposed more often and there are more chances for a person to discover similarities with another person. It is common that consumers can access the service providers' profile before making a choice or decision. The study of similarity in persuasion has a long history. This research has recently been extended to examine the role of incidental similarity, i.e., similarities between individuals that happen by chance and over which entities have little control. Shared names, birthday, birthplace, fingerprint patterns, or high school attended are all examples of this phenomenon.

In most instances, logic would indicate that incidental similarities provide little to no relevant information about an individual and should not play a significant role in social environments. However, existing research has shown that incidental similarity can play a role in social situations and can increase liking, persuasion, and cooperative behavior between individuals (Brendl, Chattopadhyay, Pelham and Carvallo 2005; Burger, Messian, Patel, Prado, and Anderson 2004; Miller, Downs, and Prentice 1998). This research points to self-esteem enhancement in explaining this phenomenon, where people prefer to associate with others similar to themselves because this preference reflects positively upon their own character.

In this paper we extend these initial findings for incidental similarity in a context involving direct interpersonal interactions. Namely, we examine the effects of incidental similarity shared between a salesperson and a potential consumer in an actual face-to-face sales situation. Further, we provide an additional and different explanation for how and why incidental similarity can have a persuasive influence. To do this, we draw on the theoretical framework of a need for belongingness (Baumeister and Leary 1995), where people strive to achieve social connectedness with those around them. This framework is particularly relevant for interpersonal interactions, which is the context of our investigation. We argue and find that the need for social connectedness can underlie the persuasive effects produced by incidental similarity.

Three experiments show our contributions: 1) we establish social connectedness as an important underlying mechanism for the effect of incidental similarity. While we do not dispute the role of self esteem, which has been identified in the existing literature, we show that social connectedness drives the effects of incidental similarity in an interpersonal context, 2) we identify a boundary condition that qualifies our effects – i.e., the valence of the interpersonal relationship as being a critical moderator to the process we outline. We show that when the need for social connectedness is mitigated, the effects of incidental similarity will be limited or even reversed.

We propose that discovering an incidental similarity with a negative or disliked other will decrease the need for connectedness and cause individuals to distance themselves from the similar other.

Since connectedness can underlie the relationship between incidental similarity and attitudes/purchase intentions, we expect that distancing in the sales context investigated will mean negative implications for attitude formation and the resulting purchase intentions.

Using an actual sales situation, Study 1 tests for the effects of incidental similarity in a service context and identifies the role of connectedness in the process. We manipulated incidental similarity through shared birthday. After a sales promotion for a personal training program, consumers who accidentally found out that they share the birthday with the trainer reported a more favorable attitude towards the program as well as a higher intention to enroll in the program. The direct measure on the sense of connectedness and the mediation analysis corroborated our hypothesis that social connectedness could be the underlying mechanism for the incidental similarity effect, at least in our context involving interpersonal interactions.

Study 2 further validates the role of connectedness by comparing the effects of incidental similarity for individuals differing in their chronic tendency to connect with others. We found that people who have a low social connectedness orientation are least influenced by the shared birthday and on the other hand, people with a high social connectedness orientation are influenced most strongly by the shared birthday.

Our final study tests the potential boundary condition for the observed effect of incidental similarity by identifying the importance of the valenced behavior of the referent other in achieving both a social connection and an effect for incidental similarity. We showed a reversed effect of the shared birthday when the salesperson displays some negative traits during the promotion. When participants discover that they share the same birthday with a person who is rude, the similarity no longer helps establish connection and instead it makes them feel more disconnected. The decreased feeling of connectedness leads to a more negative attitude towards the program and lowers their intention to purchase.

The major theoretical contribution of this paper is to identify the role of one of the fundamental human motivations, i.e. the need for social connectedness and belongingness, in incidental similarity research. Consistent with Baumeister and Leary's (1995) theory of belongingness, this motivation affects a broad variety of behaviors readily under all but adverse conditions.

In addition to the internal validity, the experiments were designed to be as externally valid as possible. The birthday information of the trainer is provided before the trainer and the consumer meet, which reduces the suspicion of the coincidence. Interestingly, such coincidences are not as rare as they sound – the famous “birthday coincidence” problem shows that in a group as small as 23 people the chance for at least two people to have the same birthday is greater than 50%. In marketing practice, it becomes fairly common that consumers can access the service providers' profile before making a choice or decision, especially in health care, legal service, and real estate industry. The context used in this paper is more applicable to the service industry than product industry.

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**DID YOU PAY ATTENTION TO THE AD?
PREDICTING IMPLICIT AND EXPLICIT MEMORY
FROM AD VIEWING TIME**

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ABSTRACT

According to Olshavsky, (1994, p. 97) “Getting attention” has historically been an important objective of advertising, “if not *the* most important objective.” Measures of attention to advertising can be intrusive and obvious, such as traditional questionnaire items, or unobtrusive, such as physical measures. We propose that unobtrusively measured ad viewing time be considered a measure of *implicit* attention and that traditional questionnaires be considered a measure of *explicit* attention.

Other measures of implicit cognition have different properties than their explicit counterparts. For example, implicit measures of attitudes have different properties than traditional explicit measures of attitude (Wilson and Dunn 2004) and implicit measures of memory have different properties than traditional explicit measures of memory (Lee 2002). We propose that an implicit measure of attention also has different properties than traditional scales measuring explicit attention.

This study, using a very simple online procedure, found that implicit attention predicted both implicit and explicit memory for an advertisement; these relationships were statistically significant after both a 15 minute distractor task and a one week delay. Conversely, measures of explicit attention were not significantly related to memory for the ad after either interval. Implicit measures of attention may yield important information about ad effectiveness and may be less subject to social desirability biases than traditional measures of attention.

Study Overview

Participants in this online study were 359 undergraduate students who participated as a research requirement in an introductory marketing course at a large university. An opportunity for participants to complete a non-research alternative to obtain this credit was posted on the experimental website.

The experiment was conducted online at the participants' convenience over two one-week periods separated by about a week. Participants viewed advertisements on an experimental website with materials dynamically sized to fit on virtually any computer screen without the need to scroll. Materials were preloaded so that ads would appear on each participant's computer screen with virtually no delay.

Using the procedure employed by Morrison and Dainoff (1972), participants were instructed to familiarize themselves with two advertisements used in the study. During this “familiarization,” the length of time they viewed each ad was unobtrusively measured and collected. Because participants completed this online experiment where and when they wanted to, some participants may have “clicked through” the first exposure of the ad extremely rapidly; therefore a second exposure was included in an attempt to counteract this problem. As with the first exposure, the length of time that subjects viewed the ad during the second exposure was collected unobtrusively. These times served as a measure of implicit

attention. Following the second exposure of the ads, participants answered questions about each of the two ads, including measures of explicit attention and assessments of the complexity of the ads.

Participants then completed a 15-minute distractor task, a separate experiment during which participants viewed a number of unrelated advertisements and completed rating scales. After the distractor task, participants completed questions assessing their implicit and explicit memory of the advertisements. They completed the same measures of implicit and explicit memory again during the second session, about a week later, without seeing the ads again.

Advertisements

The advertisements used in the study were based upon real advertisements that appeared in European magazines. One ad was for a digital camera; the other was for a fashion bag. These brands were not advertised in the United States. Participants were randomly assigned to view either a simple or complex version of the first ad, and then randomly assigned to see a simple or complex version of the second ad. The complex versions of the ads had more detailed background images than the simple versions. There was no difference in the text of the simple and complex ads, nor differences in the illustration of the products.

Discussion of the Study

The complexity of an ad was related to the implicit measure of attention. While self-reported (explicit) attention was also predicted by ad complexity, the correlation between the two measures of attention was modest. The implicit measure of attention was correlated with both implicit and explicit measures of memory; conversely, there was no significant correlation between self-reported (explicit) attention and these measures of memory.

An examination of the decay of implicit and explicit memory suggests that implicit memory may be more robust than explicit memory. Our findings show that implicit memory did not decay over a week's time for either ad and actually increased over time for one advertisement; whereas explicit memory showed substantial decay. Further investigation of implicit memory for advertisements over various durations and the correlation of implicit memory with different measures of attitude, attention and persuasion could yield interesting results.

General Discussion

This paper provides a theoretical basis to understanding the distinction between implicit and explicit attention. From the perspective of the MODE model (Fazio & Olson, 2003; Fazio & Towles-Schwen, 1999), implicit attention can be described as relatively automatic and spontaneous, whereas explicit attention requires effortful processing.

The paper also distinguishes the measurement of implicit and explicit attention. Implicit attention to print advertisements was unobtrusively measured by collecting viewing times. Explicit attention was self-reported, using multi-item scales. As implicit memory is an important addition to advertising testing (Lee, 2002), implicit attention has some important properties that make it useful in understanding both the effectiveness of particular advertisements and ads in general.

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REMEMBERING TASTE EXPERIENCES: CONSTRUCTED PREFERENCES FROM SUGGESTION

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ABSTRACT

In a recent study, participants tasted vinegar-diluted beer and were presented with post-consumption information, preference ratings were then obtained (Lee, Frederick and Ariely 2006). Results found, participants who were informed about the “secret” recipe after the consumption experience, did not alter preference ratings. This discounted the notion that post-consumption feedback could alter preferences. This finding is in direct conflict with other studies showing that information received after a consumption experience can alter preferences of the item consumed. To illustrate, participants who were presented a positive advertisement for orange juice after a taste test with vinegar-diluted juice was associated with increased preference ratings. (Braun 1999). These results confirm the idea that post-consumption advertising, even after an event has been experienced, can significantly alter the memory of the experience.

The same effect has been found in studies using food items. In one study, participants who received the suggestion that they had gotten sick as children, from dill pickles and hard-boiled eggs, later increased their confidence ratings that the event occurred when they were a child (Bernstein, Laney, Morris, and Loftus 2005b). Results also led to behavioural consequences: those who received the feedback indicated that they were more likely to avoid the dill pickles. In a similar study, participants were led to believe that they had gotten sick, as children from strawberry ice cream (Bernstein, Laney, Morris, and Loftus 2005a).

The predominant account of these “false feedback” effects involves the role of familiarity. As part of the methodology, in order for the participants to familiarize themselves to the event in question, the researchers employed an elaboration phase, which likely enhanced the fluency or ease of which the event could be remembered. This is known as “familiarity misattribution” (Bernstein et al. 2005b). Thus a fluency mechanism is believed to explain the results of these studies: The ease at which an event is later remembered is then attributed to their past experiences rather than to the false suggestion.

The Current Study

The aim of this paper is to reconcile the two contradictory findings in the literature, but also to demonstrate that “false feedback” of this nature can affect subsequent consumption decisions and behaviours involving the object of that altered memory. We propose that the elaboration technique used in the food studies (Bernstein et al. 2005a, 2005b) is a key element of the “feedback” methodology, one of which was not included in Lee et al.’s (2006) conceptualization. The second aim of the paper is to demonstrate the mechanism behind the effect. We claim it is due to fluency and test which fluency model best accounts for the effect.

Hypotheses

- H1: Participants who receive the false feedback will increase their confidence that such a consumption experience occurred to them.
- H2a: After the false feedback participants will demonstrate behavioural consequences, such as a willingness to consume less (more).
- H2b: After the false feedback participants will demonstrate behavioural consequences, such as a willingness to pay less (more).
- H3: The false feedback effects are due to conceptual fluency of processing for the given event.

Method

Participants

Thirty-four students from a northeastern university participated in this study.

Procedure and Materials

We randomly assigned participants to the “Love” feedback ($n=9$), no feedback ($n=9$) groups; and to the “Sick” feedback ($n=9$), no feedback ($n=7$) groups. Participants completed a package of questionnaires, including the Food History Inventory, which including the critical event: “loved/got sick, from drinking white wine”. Participants rated each item on whether the events happened to them before the age of 20. Participants also completed the Party Behavior Questionnaire, where participants were presented with a number of scenarios in which they were to indicate their likelihood of consuming each of the food and drink options. Finally, participants completed the Food Preferences Questionnaire, where they rated food and drink items in terms of how much they enjoy eating/drinking them.

One week later, we gave participants false feedback about their responses to the materials from Time 1. The profiles were presented as if they had been individually tailored to the specific participant, although the profiles actually contained false feedback. The critical event “loved” or “got sick” from white wine was embedded in the profile for participants in the experimental groups. To ensure that the participants processed the feedback, all of the participants completed an elaboration phase where we gave them questions about the feedback on the generated profile. The experimental groups answered these questions about the critical wine event.

Next, the exact questionnaires from time 1 were completed for a second time. Two additional post-manipulation measures followed. The first was a Food Costs Questionnaire where participants indicated the most they would be willing to pay for each of 21 different food and drink items (including “a 1-litre bottle of white wine”) by circling a price. Finally, participants completed a Memory or Belief Questionnaire where they answered questions about their memory for the events mentioned in the generated profile, or, if they lacked a specific memory, to imagine what *might* have happened.

Results and Discussion

The “got sick” feedback group ($M=1.78$, $SD=2.68$) is associated with an increase in confidence that the event (getting sick from wine) occurred before age 20, as compared to the no feedback (control)

group ($M=-.57$, $SD=1.51$), $t(13)=2.21$, $p=.045$. There was also a difference between the “loved” feedback group ($M=.78$, $SD=1.39$) and the no feedback group ($M=.33$, $SD=.50$), although the test failed to reach conventional levels of statistical significance. Data is currently still being collected at this time.

The predominant account of these “false feedback” effects involves the role of familiarity. As part of the methodology, in order for the participants to familiarize themselves to the event in question, we employed an elaboration phase, which likely enhanced the fluency or ease of which the event could be remembered. This is known as “familiarity misattribution” (Bernstein et al. 2005b). Thus, a fluency mechanism is believed to explain the results of these studies: The ease at which an event is later remembered is then attributed to their past experiences rather than to the false suggestion. In our subsequent study, we plan to specify the role of fluency in this effect.

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PREVENTION FOCUS EXACERBATES THE ANCHORING BIAS: A CASE OF SELECTIVE ACCESSIBILITY

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ABSTRACT

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, & Hoch, 1998). Although the research on anchoring bias is extensive, little extant research has investigated the moderating role of motivation. The present research seeks to fill this research gap by examining the influence of regulatory focus on anchoring bias.

The Role of Selective Retrieval in Anchoring Bias

Recent research on the anchoring bias highlights the role of biased memory retrieval process (e.g., Chapman & Johnson, 1999; Mussweiler & Strack, 1999). According to the selective accessibility model, 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).

Regulatory Focus and the Anchoring Bias

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, & 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.

Regulatory Focus and the Hindsight Bias

Hindsight bias refers to the tendency to believe, after the fact, that one had known it all along (Fischhoff 1975). We argue that, once the outcome knowledge is revealed, it will act as an anchor. Therefore, under a prevention focus (vs. promotion focus), thoughts consistent with the outcome knowledge would be triggered at the expense of inconsistent thoughts. Since prevention focus generates more anchor-consistent thoughts than promotion focus, we expect greater hindsight bias under prevention focus than promotion focus.

Our predictions are summarized in the following three hypotheses:

- H1. Prevention focus is associated with stronger anchoring effect than promotion focus.
- H2. Compared to promotion focus, prevention focus leads to greater proportion of anchor-consistent thoughts, which mediates the difference in anchoring bias.
- H3. Prevention-focused individuals would exhibit greater hindsight bias than would promotion-focused individuals.

Experiments and Results

These hypotheses were tested in three laboratory experiments. The first two studies tested H1 and H2. We primed participants with either promotion or prevention focus using the priming procedure in Lockwood, Jordan, & Kunda (2002), and then presented participants with general knowledge questions with high or low anchor values. The judgment data provided strong support for our hypotheses. 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.

Study 3 tested the effect of regulatory focus on hindsight bias (H3). We asked participants to estimate the price of a new product (i.e., initial estimate) with either a high or low anchor value, and, six days later, told them the true price and asked them to recall their earlier price estimate (i.e., recall). We also measured the chronic promotion and prevention strength of each participant and median-split them into a promotion group and a prevention group. As expected, initial estimates replicated the findings of studies 1 and 2. Also as expected, their recalls were closer to the true price than their initial estimates were. But more importantly, as predicted by H3, the prevention group exhibited greater hindsight bias because their recalls were significantly more influenced by the true price than it is the case for the promotion group.

Discussion

This research offers interesting insights regarding the effects of regulatory focus on consumers' information processing styles. 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. There are also important implications for satisfaction research and cross-cultural marketing since Asian cultures are generally more prevention-focused than their western counterparts (e.g., American).

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A REINFORCEMENT-HABITUATION MODEL OF MOVIE SEQUELS

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ABSTRACT

The widespread popularity of movie sequels and series thereof suggests that their study is important to both entertainment theory and practice. Much as brand managers leverage brand equity by using line and brand extensions to reduce introduction costs and mitigate risk (e.g., Keller 2002), studio managers leverage “franchise equity” by using sequels to reduce introduction costs while amortizing concept risks across multiple films (*Wall Street Journal*, June 6, 1989; Page 1). Sequels, however, also increase the risk of being criticized for creative bankruptcy and for boring movie-goers with “tired” characters and story lines (*Wall Street Journal*, April 13, 2007; Page W1). To manage such risks, Sood and Drèze (2006) suggest that studios differentiate sequels from original films in two ways. First, studios should increase expected variety by using descriptive titles (e.g., *Daredevil: Taking it to the Streets*) that signal a new and different film better than do numbered titles (e.g., *Daredevil 2*). Second, studios should increase experienced variety by adding genres to the original formula (e.g., adding a romance genre in the sequel to an action/fantasy film).

The current research replicates and extends Sood and Drèze’s (2006) prescription for sequel differentiation by proposing a reinforcement-habituation model of sequel development and then testing two of its features using an experiment and field data. First, we hypothesize that consumers prefer cast duplication as opposed to cast differentiation, a preference we expect to be weaker when titles are descriptive and sequels come later in the series. Second, we hypothesize that there is limited need to differentiate initial sequels from original films, the need for differentiation arising primarily among downstream sequels once the original film and initial sequel produce habituation to the film franchise’s context, characters, and story lines. For theory, therefore, sequels may not entirely mimic models of immediate satiation as consumers prefer cast duplication, particularly when titles are numbered, and sometimes prefer genre duplication, particularly in the case of initial sequels. For practice, at a time when film expenses are soaring (e.g., \$258m for *Spider-Man 3*), studios may want to rein in costs by making the initial sequel somewhat redundant (yet reasonably popular), reserving greater differentiation for downstream sequels when differentiation is more important, a time when studios might also consider less-expensive alternative actors.

In the first experiment, we partially replicated and extended Sood and Drèze’s (2006) test of *Daredevil*, an action/fantasy film. A 2 (duplicated vs. different cast) by 2 (duplicated vs. added genre) by 2 (numbered vs. descriptive title) between-subjects design used Sood and Drèze’s sequel descriptions for the numbered (*Daredevil 2*) and descriptive titles (*Daredevil: Taking It to the Streets*) as well as their duplicated (action/fantasy) and added genres (action/fantasy plus romance), but varied the film’s two primary stars: the original film’s stars (Ben Affleck and Jennifer Garner) versus two alternative stars based on a pre-test (Vin Diesel and Lucy Liu). One hundred thirty-nine upper-classmen at a major U.S. university evaluated a sequel to *Daredevil* on six five-point scales adopted from Sood and Drèze (2006) that were combined into a composite evaluation ($\alpha = 0.90$). A 2 (cast) by 2 (genre) by 2 (title) ANOVA on sequel evaluation revealed significant cast and genre effects. Consistent with Sood and Drèze

(2006), adding genres improved evaluations relative to duplicating genres ($F(1, 131) = 4.31, p < .05$). However, a duplicated cast improved evaluations relative to a different cast ($F(1, 131) = 5.44, p < .05$). Tests conducted separately within numbered and descriptive titles found that, when titles were numbered, consumers preferred genre differentiation (adding genre) over genre duplication and cast duplication over cast differentiation, but when titles were descriptive, they preferred neither genre differentiation nor cast duplication significantly.

For our next field study, we identified all MPAA (Motion Pictures Association of America) sequels released between 1991 and 2004 (317 in total), and randomly selected 7 to 8 sequels from each year of the list, producing a sample of 103 sequels. Following Sood and Drèze (2006), we identified the sequel's predecessor in the sequel series, which was either the original film (if the sequel was the initial sequel; e.g., *Spider-Man* preceding *Spider-Man 2*) or a later film in the series (e.g., *The World is Not Enough* preceding *Die Another Day*).

The dependent variable was the opening weekend box office revenue (Friday, Saturday, and Sunday) for each sequel and its predecessor. Four predictors were modeled: (1) The sequel's star cast, operationalized as either duplicated or differentiated relative to the predecessor based on whether either of the top two stars (in billing order) differed from the predecessor, (2) the sequel's title, either numbered (e.g., *Shrek 2*), descriptive (e.g., *Harry Potter and the Chamber of Secrets*), or mixed (e.g., *Terminator 2: Judgment Day*), (3) the sequel's genre, either duplicated or differentiated relative to the predecessor based on the genres (varying from 1 to 7) coded in the IMDb database, and (4) the sequel's position in the series, 68 being initial sequels (e.g., *Spider-Man 2* in the *Spider-Man* franchise) and 35 being downstream sequels (*Die Another Day* being the extreme example, the 20th film in the *James Bond* franchise). We statistically controlled for three additional variables: (1) The delay between the release of the predecessor and sequel, (2) the number of screens running the film during the opening weekend, and (2) the film's production budget.

We log transformed the ratio of the sequel's opening weekend box-office revenues to the predecessor's corresponding revenues, and tested a 2 (cast) by 3 (title) by 2 (genre) by 2 (sequel position) model with the added control variables. The cast-duplication by title interaction was significant ($F(2, 76) = 3.07, p = .052$; cast duplication improved performance when titles were numbered, but not when they were mixed or descriptive. The genre-differentiation by sequel-position interaction was also significant ($F(1, 76) = 7.70, p < .01$; duplicate genres tended to improve initial-sequel performance but degrade downstream-sequel performance). Finally, the predicted cast-duplication by sequel-position interaction was not statistically significant in the box office model ($F(1, 76) = 2.07, p = .15$). However, the specific nature of the hypothesis led to separate tests for initial and downstream sequels. We found cast duplication improved initial-sequel performance, but had no effect on downstream-sequel performance.

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**ASYMMETRIC EFFECTS OF POSITIVE AND NEGATIVE
NEW PRODUCT EXPERIENCES ON ATTITUDES TOWARD
THE BRAND, COUNTRY OF ORIGIN AND COMPETITIVE BRANDS**

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ABSTRACT

The purpose of this research is to investigate the change in prior attitudes toward brands and countries of origin (COO) of the products after positive and negative experiences with new products. Past research has extensively investigated the effects of brand or COO information on assessment of intrinsic product attributes (e.g., technical features); interpretation of product experiences; and formation of attitudes toward a target product (e.g., Maheswaran 1994; Dodds, Monroe and Grewal 1991). However, the reverse effect, the change in existing schemas for brands and COOs, has been largely overlooked.

The literature on brand extensions (see Ahuwalia and Gurhan-Canli, 2000, for a review) has investigated the effects of product extensions on consumer's perceptions of the parent brand, whereas the literature on country-of-origin has rarely focused on the change in perceptions of the COO (see Gurhan-Canli and Maheswaran 2000 for an exception). Past studies provide evidence for both dilution and enhancement effects on the brand indicating that new evaluative information can change extant category schemas (e.g., Aaker and Keller 1993). However, the relative effects of negative and positive new product experiences on consumers' existing attitudes toward the brand and COO have not been thoroughly investigated. Under what conditions a bad (good) experience with a new product is more likely to hurt (improve) existing brand and COO attitudes? Do positive and negative product experiences equally affect the attitudes? Are all types of brands and COOs vulnerable to bad product experiences or do they equally benefit from good experiences with new products? How do experiences with a brand spread to attitudes toward competitive brands from the same COO or from other COOs?

We argue that the effect of positive and negative experiences on brand and COO schemas is asymmetric, such that it is moderated by the equity consumers associate with the brands and COOs. More specifically, we propose that it is not solely the valence of the new experience that leads to the larger change in attitudes (e.g., as in negativity or positivity effects, Skowronski and Carlston 1989), but the congruence of the experience with the equity of the brand determines final attitude toward the brand.

Following past research, we adopt the explicit definition of brand equity based on the consumers' perspective. Roehm and Brady (2007) use a customer-based conceptualization of brand equity, which defines high-equity brands as those toward which consumers have favorable attitudes based on their past experience or high familiarity with the brand formed by heavy marketing communications or word of mouth (e.g., Aaker and Keller 1993). For instance, Nokia is a high equity brand because consumers generally have favorable attitudes toward the brand, whereas Uniden has lower brand equity as it is less familiar and consumers may have less favorable attitudes toward the brand.

In parallel, Maheswaran and Chen (2006) recently proposed that there is an equity associated with COOs which corresponds to the renowned brand equity for brands. COO equity is a broader

conceptualization of product-country image (Papadopoulos and Heslop 1983), which refers to the consumers' image of certain product categories produced and marketed by the brands from a specific country (Verlegh and Steenkamp 1999). The COO equity pertains to a positive attitude toward the COO based on experiences with certain product categories or high acquaintance with the COO due to various marketing communications (see Verlegh and Steenkamp 1999). For instance, Japan has high COO equity for cars but not for cheese.

General intuition and most past studies suggest that high equity brands enjoy favorable responses and they are more immune to negative information (e.g., Ahluwalia et al. 2001), whereas low equity brands are less likely to enjoy the benefits of positive information. On the other hand, this research demonstrates that good experiences with new products have a larger positive impact on attitudes toward low equity brands and COOs compared to similar experiences with high equity brands and COOs. In contrast, bad experiences lead to larger negative changes in attitudes toward high equity brands and COOs compared to similar experiences with low equity brands and COOs.

It is also observed that new product experiences do not only affect attitudes toward a target product, or change attitudes toward the brand, but they may even spread to attitudes toward other competitor brands. Consistent with the inclusion-exclusion model proposed by Schwarz and Bless (2007), the results show that a new product experience with the brand results in an assimilation effect on the attitudes toward the competitor brands from the same COO, whereas it is contrasted with attitudes toward other brands from different COOs. More specifically, a good experience with the brand hurts its competitor brands from different COOs while it benefits the other brands from the same COO. On the other hand, a bad experience with the brand improves attitudes toward other brands from different COOs, whereas it hurts the attitudes toward competitor brands from the same COO.

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ATTRIBUTE ALIGNABILITY AND THE INVERSE POLARIZATION EFFECT

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ABSTRACT

Over the years context effects have captured a great level of interest among researchers and there has been a proliferation of studies on this topic. In their seminal paper, Simonson and Tversky (1992) observed that when a high-end product (i.e. high price and high quality) is introduced into a binary set consisting of a low-end (i.e. low price and low quality) and a moderate product, it draws more shares from the low-end product than from the moderate one. The phenomenon, now known as the polarization effect, rests on the assumption that people have a general tendency to avoid options described by relatively extreme attribute values (Chernev, 2004; Kivetz, Netzer, & Srinivasan, 2004). Specifically, when options are differentiated by price and overall quality, the differences of prices are perceived as less important than that of quality (Heath & Chatterjee, 1995). The price-quality polarization has been observed and replicated in many experiments (e.g. Kivetz et al., 2004; Prelec, Wernerfelt, & Zettelmeyer, 1997). One logical implication from the polarization effect would be that if a new company wishes to enter into a market, it would be better off designing its product as having relatively high quality and price.

Will high-end product always be preferred over the low-end one? Sure, but only in certain circumstances. This proposal argues that the polarization effect is moderated by the alignability of attributes describing each option in the choice set. Specifically, if options are differentiated by price and non-alignable attributes, the “inverse polarization effect” would occur, where adding a middle or a high-end product into a binary set increases the relative choice share of the low-end product.

Attribute Alignability

According to research on attribute alignability (Markman & Gentner, 1993; Markman & Medin, 1995; Zhang & Markman, 2001), product attributes can be categorized as alignable and nonalignable. An attribute is alignable to the extent that it is readily comparable across options. In contrast, when an attribute is associated with a single option but not with other options, this attribute is considered as nonalignable. For instance, when choosing between two hotels in a tourism destination, both hotels providing the accommodation service can be viewed as an alignable attribute but that one hotel provides airplane ticket booking service whereas the other does not provide such service can be viewed as a nonalignable attribute. Previous research shows that comparing alignable attributes requires largely within-attribute trade-offs at the outset, whereas comparing nonalignable attributes requires a more global assessing and abstracting across attributes associated with each option in order to form an overall, higher level of utility estimation of each alternative (Zhang & Fitzsimons, 1999; c.f. Johnson, 1984). Therefore, trading off between nonalignable attributes is more effortful and difficult and is more likely to result in decision deferral than trading off between alignable attributes (Zhang & Markman, 1998, 2001). Gourville and Soman (2005) found that choosing from a nonalignable assortment (i.e. providing options differentiated by nonalignable attributes) results in more choice deferral and potential regret than choosing from an alignable assortment.

The Inverse Polarization Effect

Based on research on attribute alignability and polarization, this proposal argues that polarization occurs only in a choice set in which options are differentiated by price and alignable attributes. Because a common practice employed by many companies is to upgrade products by replacing old features with new ones while retaining some common features existing in both old and upgraded products (c.f. Okada, 2006), comparison across generations of products in such a situation is sometimes a process of trading off mainly between nonalignable attributes and money.

The prediction of inverse polarization is based on three reasons. First, because the perception of the intermediate option as a compromise one is a result of its moderate values on commonly shared attribute dimensions (Simonson & Tversky, 1992), options described by nonalignable features make the comparison of options more difficult and the detection of the “middle” impression less likely. Even if consumers can infer product quality based on price differences (e.g. “higher price indicates better quality; Raghurir & Corfman, 1999), the mixed presence of alignable and nonalignable attributes associated with options in the choice set seems unlikely to prompt an average quality perception applied to all attribute dimensions – rather, consumers’ focus would rest mainly on considering the worthiness of paying additional money in exchange of nonalignable product features. Additionally, such comparison process are likely to bolster consumers to form an “all-or-nothing” impression: to get one nonalignable feature you have to give up another, therefore increasing decision uncertainty and conflict (Gourville & Soman, 2005). Finally, choice sets of this type usually generate a perception of “upgrading” (e.g. “paying more money and getting different advanced features”), rendering the reference or benchmark position of the low-end product more salient (Okada, 2006). Therefore, because of the increased decision conflict and uncertainty in trading off nonalignable features and the increased salience of the reference position of the low-end product, people are more likely to resort to choosing the lowest price option because at least it serves at achieving the goal of frugality, as long as achieving the (perhaps more important) quality goal becomes more difficult and less discernable.

The Effect of Justification

Asking people to justify choices to others increases the size of the compromise effect because people tend to rely more on selecting the option that is supported by best reasons (e.g. Chernev, 2004; Simonson, 1989). Because nonalignable features require cross-dimensional justification and compensatory reasoning about why one would give up one particular attribute in exchange for some other, such reasons as “choosing the middle” seem less justifiable. In contrast, people should be more likely to choose the low-end option by arguing its salient reference position and low price as defensible reasons. Therefore, asking people to justify their choices from a nonalignable assortment should increase their preferences for the low-end option.

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PAST VERSUS FUTURE: PROCESSING ASYMMETRIES

Special Session Chair:
Susan Jung Grant

Discussion Leader:
Gal Zauberman, University of Pennsylvania

**ON ONCE AND FUTURE THINGS:
A TEMPORAL ASYMMETRY IN JUDGMENTS OF LIKELIHOOD**

Karlene Hanko, Cornell University
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ABSTRACT

What do people see when they gaze into the future? We propose that because people associate the future (but not the past) with openness and possibility, they tend to see focal uncertain events as more possible in the future than in the past. That is, holding constant any differences in knowledge and plausibility, people judge uncertain future events to be more likely than otherwise identical past events. In a series of studies, we demonstrate this temporal asymmetry in judgments of likelihood and provide evidence for the proposed mediator, the belief in an “open” future.

In Study 1, participants judged it more likely that a student *would engage* in a variety of everyday activities over the following week than that she *had engaged* in those same activities over the prior week. Participants in Study 2 believed it more likely that a mentally ill patient would attempt suicide if they were predicting his future behavior than if they were postdicting his past behavior, regardless of the prior base rate of suicide for this particular disorder. In Study 3, participants estimated that more of their peers would endorse a particular political stance if they believed that their peers would be surveyed in the near future than if they believed their peers had been surveyed in the recent past. In Study 4, participants subliminally primed with the concept of *future* subsequently provided higher likelihood estimates than did those primed with the concepts of *past* or *present*. In Study 5, we manipulated participants’ beliefs about the future in order to demonstrate that the temporal asymmetry in likelihood judgments is mediated by the belief in an “open” future. Taken together, the results of these studies suggest that people see uncertain future events as more probable than equivalent past events, and that this effect is driven by a tendency to believe in an “open future.” Implications for consumer behavior are discussed.

**TETHERED BY TENSE: RETROSPECTION IS MORE
CONSTRAINED THAN PROSPECTION**

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ABSTRACT

Consumers often evaluate products by mentally simulating their consumption, as when imagining one's enjoyment of a tropical vacation. We examine whether temporal perspective moderates such mental simulation, specifically, whether “reality checks” constrain mental simulation in the past tense more than in the future tense. Previous research has examined how mental simulation might vary as a function of psychological distance - how, for example, consumers might simulate next year's vacation differently than next week's vacation. In four experiments, we investigated whether mental simulations differ as a function of tense.

Two studies test the hypothesis that imagining a past event feels different than imagining the same event in the future. In Experiment 1, we hypothesized that thinking about past events would feel more difficult than thinking about the future because thoughts about past events are more prone to cognitively taxing reality checks. Respondents reported that it felt more difficult to think about a past trip to the dentist than to think about a future trip to the dentist. In Experiment 2 participants self-reported how much they relied on imagination versus memory when thinking about a past or future event. Results indicated that although thinking in both the future and past tense feels constrained by memory, thinking in the future tense feels more imaginative and creative.

In Experiments 3 and 4 we predicted that mental simulations of past events would be less similar and less prototypical than mental simulations of future events since past events are more closely linked to contextual detail of the past. Descriptions of events (parties and encounters with homeless individuals) framed in the past were more similar to each other and less prototypical than descriptions of the same events framed in the future.

PRISONER'S DILEMMA STRATEGIES: WHEN YOU CHOOSE AFFECTS WHAT YOU CHOOSE

Susan Jung Grant, University of Colorado, Boulder
Prashant Malaviya, INSEAD, France

ABSTRACT

Four studies examine the conditions under which Prisoner's Dilemma participants are more likely to choose cooperation rather than competition (Axelrod, 1984; Morris, Sim & Grotto, 1998; Shafir & Tversky, 1992). Because no decisions are revealed, choosing to cooperate is a curious deviation from what is understood in game theoretic terms to be the equilibrium solution. We find that some players are more likely to cooperate when a rival's decision is characterized as taking place in the future versus the past. We theorize that a choice made with a rival's future decision in mind prompts the consideration of a broader range of outcomes (Jung Grant & Tybout, forthcoming). Instead of focusing on one's own outcomes, the player is more likely to consider the other player and the joint outcome in

the future, thus recruiting the possibility of mutual cooperation. In contrast, a choice made with a rival's past decision in mind narrows a player's focus.

We test these predictions in the first three studies. We find that participants who are more likely to consider a breadth of factors – non-MBAs versus MBAs (Experiment 1), interdependents versus independents (Experiment 2), and women versus men (Experiment 3) – tend to cooperate more when their rival's decision is in the future. Our fourth study not only replicates the past-future main effect but also finds that participants who believe their rival will choose (future) consider more factors and feel a greater sense of uncertainty than participants who believe their rival has chosen (past). There is no past-future effect on perceptions of control and influence.

We conclude, therefore, that the mechanism underlying the basic effect involves the ability to consider greater breadth and offer a re-interpretation of Morris et al.'s (1998) findings, which attribute participants' cooperation in the future to an illusion of control. The current research shows that the future does not enhance perceived control but that individuals tend to consider a greater breadth of factors, leading them to choose cooperation over competition.

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UNDERSTANDING THE PSYCHOLOGY OF SUBSISTENCE CONSUMERS

Special Session Chair:

Durairaj Maheswaran, New York University

Discussion Leader:

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Robin Ritchie, University of Western Ontario

Madhu Viswanathan, University of Illinois, Urbana-Champaign

**THE PSYCHOLOGY OF SUBSISTENCE CONSUMERS:
INSIGHTS FROM SOUTH INDIA**

Madhu Viswanathan, University of Illinois, Urbana-Champaign

Srinivas Sridharan, University of Western Ontario

Robin Ritchie, University of Western Ontario

ABSTRACT

This presentation will provide detailed observations on the psychology of subsistence consumers from several years of research in subsistence marketplaces in South India. Findings suggest that while consumers face uncertainty and lack of control over most aspects of daily life, a counterforce to such uncertainty is the unique 1-to-1 interactional nature of such marketplaces. The overall marketplace context is characterized by pervasive interdependence and continuous oral communications between both consumers and marketers as well as among consumers. Accordingly, consumers demonstrate widespread reliance on socially-based strategies to cope with marketplace challenges, such as invoking empathy and personal judgments as bases for exchanges, engaging in responsive interactions to engender a sense of obligation in the exchange partner, and building enduring relationships as a form of insurance against uncertainty. These consumption strategies help create large stocks of “social capital” in the form of well-developed social networks, interpersonal trust, clear and enforceable social norms, and mutual social obligations. Such social capital has the potential for facilitating positive consumption and economic outcomes for individuals (e.g. better access to credit). However, there could also be potential downsides (e.g. vulnerability due to narrow exposure). The findings of this research have widespread implications for consumer psychology and the development of consumer skills and confidence in subsistence settings.

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**USE INNOVATIVENESS BY SUBSISTENCE CONSUMERS AND
CONSUMER-MERCHANTS: THE INTERPLAY OF
COGNITIVE AND SOCIAL FACTORS**

José Antonio Rosa, University of Wyoming

ABSTRACT

This research focuses on use innovativeness by subsistence consumers and consumer-merchants. Subsistence consumers are people with regular incomes of less than \$5 per day. Most live in substandard housing, have negligible property rights, suffer from unequal and capricious access to legal rights, and have compromised access to potable water, sanitation and health care. In light of such constraints, subsistence consumers exercise considerable innovativeness as they solve problems by adapting available resources to whatever problems they face. Moreover, many subsistence consumers pursue survival through small businesses that are inseparable from consumer life and increase the need for innovativeness. Innovativeness is a hallmark of human nature and long-standing topic of concern for consumer research, but when it comes to subsistence consumers, research has been limited. Research into low-literacy consumers in subsistence conditions (e.g., Viswanathan et al. 2005, Atkins and Ozanne 2005), however, has shown that subsistence consumers often do not process information or make decisions in the same way as literate well-off consumers, and begs us to expand our understanding of subsistence consumer innovativeness. Building on ideas such as human knowledge being socially constructed, creativity is exercised when pre-existing knowledge is combined into novel arrays, and innovativeness is present when novel arrays yield valued outcome, this research focuses on the potentially unique ways by which subsistence consumers exercise creative abilities. The research relies of consumer and consumer merchant narratives about how product innovations came to happen (and possibly continue to evolve), and finds levels of analogical thinking (Gentner and Markman 1997; Burroughs and Mick 2004), the use of body knowledge (Barsalou 1999), and reliance on social capital (Coleman 1988; Ritchie and Sridharan 2007) in the innovation process that differ from those observed among consumers and product developers in developed economies. Moreover, we find that in subsistence environments the separation of abstract and body-based knowledge is virtually non-existent, and that ideas for problem solutions emerge from multiple iterations from observation to conceptualization to experimentation to observation through a process that stops when a context-sufficient solution are found and restarts as soon as the environment demands it. The research reveals high levels of creativity and use innovativeness among subsistence consumers, and an important role for social interaction and interdependencies in the innovation process. It also reveals high fluidity in product and service concepts, with relatively low attachment to anyone rendition of a problem solution.

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THE HAPPINESS TO ENTROPY RATIO: THE HIGH EFFICIENCY OF GRATITUDE

Harish Sujana, Tulane University

ABSTRACT

Myers (2000) has reported that although individual incomes in the United States, corrected for inflation, has more than doubled from 1965 to 1995 subjective well-being or personal happiness has stayed the same. If personal happiness is considered an important goal of consumption, this report suggests that there has been a colossal waste of money! It also suggests that if wealthier Americans could learn to be happier with less, there would be more for those who live below the subsistence level.

An important research question then becomes how can the American consumer increase his or her happiness to consumption ratio?

One possible answer to this question will be developed conceptually in this presentation. Two powerful human emotions are gratitude and anger. Gratitude occurs when positive outcomes that are personally experienced are attributed to the actions of others. Anger occurs when negative outcomes that are personally experienced are attributed to actions of others. Because losses loom larger than gains (Novemsky and Kahneman 2005) and because people mobilize more to deal with negative rather than positive emotions (Taylor 1991), the likelihood of feeling anger is greater than the likelihood of feeling gratitude. Anything that enables people to go against this tendency, to increase their experiences of gratitude relative to anger, will serve to increase their personal happiness or subjective well-being (Emmons and McCullough 2003). What can enable this?

In the play *Camelot*, Guenevere asks King Arthur: "What do the simple folk do to help them escape when they're blue?" He answers: "When they're sorely pressed, they whistle for a spell. And whistling seems to brighten up their day." Perhaps by learning more about how people who live on less than \$5 a day derive well-being, affluent American consumers will be better able to brighten their day, feel more gratitude and less anger, than if they were to consume more. Exploring this question and deriving hypotheses based on this exploration will be the principal focus of the presentation.

Later in the song "What do the Simple Folks Do" King Arthur says: "They sit around and wonder what royal folk would do." Perhaps, conversely, those living under the subsistence threshold feel far too little anger and far too much gratitude relative to what is optimal for their subjective well-being. By learning more about what the affluent American consumer does to achieve well-being, they

may be able to motivate themselves to cross the threshold: moving away from secondary control more towards primary control (Rothbaum, Weisz and Snyder 1982). Exploring the possibility of a far too high gratitude to anger ratio for optimal well-being among subsistence consumers, and strategies for decreasing this ration will be the secondary focus of the presentation.

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TO SEE IS TO HURT: VISUAL VERSUS SOMATO-SENSORY IMAGINING OF HEALTH CONDITIONS

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ABSTRACT

Decisions about an uncertain future require people to speculate about what will happen and how they will feel. Wilson and Gilbert (2003) assert that such affective forecasting begins with forming a mental representation of a future situation. Only after forming an idea of the event, can people then use it to think about how they would feel in such a situation. Thus, any errors that arise in forming such mental representations can contribute to our assessment about those representations.

While previous affective forecasting research has tended to focus on the extrapolation of mental representations to future predictions, we focus on the formation of the mental representation process. More specifically, we propose that the specific sensory systems invoked in a forecasting task affect the predicted disutility. Here, we compare the visual (sight) and somato-sensory (bodily sensations including touch, temperature, and pain) systems.

Humans are largely visual creatures and are highly adept at forming visual mental representations (Kosslyn, 1994). In contrast, they are much less adept at forming somato-sensory mental representations (Morley, 1993). People generally remember that an experience was painful, but they cannot re-experience that pain the way they can visualize a past sight. Although somato-sensory experiences are encoded in memory (when people have a sore throat, the feeling is familiar, implying a memory trace), they cannot be retrieved in the same manner that a visual representation can be imagined.

Drawing on the separate literatures on visual imagery and pain perceptions, we expect that visual representations (e.g., red, swollen skin) will be clearer and more vivid than somato-sensory representations (e.g., itching and burning). As a result of this difference in vividness, we predict that thinking about future events visually should intensify the predicted overall disutility of the experience relative to thinking about the pain or physical discomfort of the same experience. Finally, because representations of pain and discomfort are less clear than visual representations, we propose that visual representations will, ironically, lead to predictions of greater pain or discomfort.

We test these predictions in two studies. The first study examines whether vividness and mental clarity vary by the sensory system evoked in the mental representation. The second study examines how forming mental representations of what something looks like versus what something feels like affects predictions of the disutility of the experience, and more specifically of the pain and discomfort associated with the ailment.

Study 1 demonstrates that visual representations are clearer and easier to form than somato-sensory representations. The experiment presented 125 participants six health experiences, one at a time, each of which involves both an aversive visual component and an aversive physical component. The six experiences were having a sunburned back, having dandruff, having a mosquito bite on your

nose, having a black eye, having a facial rash, and having pinkeye. Participants in the visual representation condition were asked to call to mind what it would *look* like to have those experiences, whereas participants in the somato-sensory representation condition were asked to call to mind what it would *feel* like to have those experiences. Participants then rated the clarity of their mental representations and the difficulty of forming them.

As predicted, participants in the visual condition reported significantly clearer mental representations and significantly less difficulty forming them. Averaged across all experiences the mean clarity score on a scale from 1 to 7 was 5.49 (SD 0.11) for participants in the visual condition and 4.42 (SD 0.12) for participants in the somato-sensory condition. This difference was highly significant ($p < 0.0001$). This pattern was true for each of the six experiences. For two of those experiences, the difference in clarity was marginally significant ($p < 0.1$), and for the remaining four, the difference was significant ($p < 0.01$). The mean difficulty score across all experiences was 2.45 (SD 1.06) for participants in the visual condition and 3.18 (SD 0.92) for participants in the somato-sensory condition). This difference was also highly significant ($p < 0.0001$). The pattern held for all six experiences, and the difference was significant ($p < 0.05$) for four of those experiences.

In Study 2, participants saw the same six experiences used in Study 1. Half the participants called to mind what the experiences would look like, and the other half called to mind what each would feel like. All participants then predicted how bad the experiences would be overall, and how painful or uncomfortable they would be. While we are still collecting data for this study, the data so far suggest that thinking visually about a ailment increases the predicted overall disutility of the ailment . Furthermore, thinking visually increases the predicted pain and discomfort relative to thinking about the pain and discomfort itself.

In future studies, we plan to compare predictions of experiences with actual online experiences to examine the question of whether the form of mental representation (visual versus somato-sensory) affects the accuracy of affective forecasts. Based on research on hot and cold empathy gaps (e.g., Loewenstein, 1996) showing that people tend to underpredict the amount of pain or displeasure they will feel when not currently feeling that state, we expect that representing a condition visually may help reduce this bias and lead to more accurate forecasts.

This research has important implications about how people make health decisions and what types of health promotion programs may be more effective. Already, there is evidence that campaigns to reduce sun tanning may be more effective if they are framed in terms of appearance rather than health (Mahler et al, 1997). While this finding may be explained in terms of vanity, we believe that it is also due to the relative difficulty in imagining somato-sensory consequences of risky health behavior. Our findings suggest that future pain is more believable when it is framed in visual rather somato-sensory terms.

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TELIC OR PARATELIC? A MULTIMETHOD APPROACH TO STUDY REVERSAL THEORY ON THE WEB

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ABSTRACT

Studying online consumer behavior is a motivating challenge. This paper suggests a multimethod approach to achieve it. Methodological triangulation involves the use of different methods of data collection to establish a better validity. The methods that are used here are in-depth interviews, protocol analysis, and log analysis. In the paragraphs that follow, I present a qualitative study applying the Reversal Theory to online consumer behavior.

Literature Review

The multimethod approach was useful to test the Reversal Theory (Apter 1982). In short, this theory states that people are inconsistent and even self-contradictory, and they behave differently at different times, even in the same situation. They «reverse» frequently between opposite motivational states. I choose to study the telic-paratelic states among the four pairs of exclusive, opposite states defined by Apter: negativistic / conformist; autic / alloic and mastery / sympathy. The telic (serious) state focused on important goals, and planning ahead while the paratelic (playful) state focused on immediate enjoyment, and acting spontaneously. Lockhart (1995) recalled that Reversal Theory is relatively new to the United States. Most research to date has occurred outside North America. Smoking cessation (O'Connell et al. 1990), stress (Martin et al. 1987), and sports and motivation (Kerr 1988) are among the topics studied. However, to the best of my knowledge, Reversal Theory has received little attention from marketing and consumer behavior researchers.

Apter (1989) states that people regularly switch from one metamotivational state to the other throughout the day. Walters, Apter, and Svebak (1982) demonstrated that office workers regularly switched between telic and paratelic states during the day. It is also interesting to note that telic-dominant and paratelic-dominant have different orientation to life. A typical day of a telic-dominant subject is characterized by well planned routines. On the other hand, a paratelic-dominant day is far from routine. They exhibited a spontaneous lifestyle (Svebak and Murgatroyd 1985).

Kerr and Tacon (1999) mentioned that Reversal Theory does emphasize the role that cognition plays in an individual's interpretation of his or her own motivation. For example, they confirmed that people are sensitive to particular physical locations and respond to them by changes in psychological mood. Subjects were more likely to be in the telic state on entering a university library and more likely to be in the paratelic state on entering a sports center.

It should be mentioned that multimethod approach was also useful to study other issues. The following studies are laboratory experiments where consumers had to perform specific tasks on different websites. The first study showed that there is a significant relationship between the way in which consumers surf on a site and their capacity to accomplish a task. For example, it demonstrated that when consumers are not able to complete a task their overall appreciation of the site becomes negatively

affected (Nantel and Kratcholova 2003). Another study concluded that men and women differ in the way they accomplish a web-based task. Women spend more time per page but view less pages. Men spend less time per page but are more active as they see more pages and click more through their task (Arcand and Nantel 2005).

The goal of the current study is to find how different categories of consumers behave on the Web and the effects of such differences on navigation patterns. According to the theory, telic and paratelic users should exhibit different motivations and thus different navigation patterns.

Methodology

Fifty participants (60% male; 18-64 years old) were randomly selected from a panel managed by a major North American university. They were invited to our laboratory and were asked to perform two tasks on a website (*virtualmuseum.ca*). These tasks were information search about artistic material. Participants were paid 50\$ in exchange for their participation. Subjects were told to verbalize every thought. This method is known as protocol analysis (Ericsson and Simon 1993) and has proven to be useful for website analysis (Benbunan-Fich 2001; Li et al. 2001). Navigation data were recorded in AVI format (sound and video) as well as logs (time per page, pagesviews, etc.). Video files matched each consumer's verbalization with the series of pages visited. This file captured all of the navigation performed along with the associated voice track. Following the tasks, participants were asked to complete a questionnaire. This instrument evaluated their state (i.e. telic or paratelic) (Loonis 2000). Finally, an in-depth interview was conducted. The interview-guide was semi-structured, which allowed the investigation of issues of prime importance while at the same time offering flexibility. Unabridged transcripts from interviews and protocols were generated and coded by three doctoral candidates. The objective was to classify comments and thoughts into two categories: telic and paratelic. The coding process revealed an agreement of 90% between coders. The data analysis followed Wolcott (1994) in that it incorporated the three phases of description (quotes from subjects), analysis (important themes, factors and relationships) and interpretation (making sense).

Results

Briefly, results revealed that 40 subjects were in a paratelic state, 10 in a telic state. Logs analysis demonstrated that telic subjects took less time to accomplish the tasks (27.22 minutes vs 28.6) and visited less pages (27 vs 44). Moreover, transcripts analysis showed that telic and paratelic individuals had different considerations regarding their navigation. On one hand, paratelic ones were more oriented toward environmental thoughts and comments: *And overall, it was an attractive that sort of sub part of it was very attractive* (participant 4). On the other hand, telic ones were concentrated on website components required to accomplish the tasks: *My goal was not to visit the site. I had something to find. So, I've decided using the search engine* (participant 5). They both had tasks to achieve, but the routes to attain it were not the same. In sum, logs, interviews and protocols seem to confirm that telic and paratelic subjects have different navigation patterns.

Conclusion

The main objective of the current paper was to present a multimethod approach which can be used to study online consumer behavior. This approach has one major advantage: it improves validity. The second objective was to present a practical application. The study about Reversal Theory is an

example of how triangulation can be applied. It showed that two categories of consumers had different navigation patterns.

This study has limitations that should be considered before applying the results to real market situations. First, the results of the present study are limited to only one Web site. Thus, additional research conducted with larger samples and different Web sites would contribute to the generalization of the findings. Second, this study investigated informational tasks exclusively. It could be worth applying the proposed multimethod approach to transactional Web sites or portals.

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WHAT SHOULD I DO? MIXED EMOTIONS, COPING AND CONSUMER BEHAVIOR

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ABSTRACT

Within appraisal theory, information congruency is identified as a key factor in the elicitation of emotion, specifically in determining the valence of emotion (Lazarus, 1991; 2001). Congruence or incongruence is the degree to which information is consistent or inconsistent with consumer desires. Although a number of studies in psychology and marketing have addressed the effect of consistent information on discrete emotional responses (e.g. Nyer, 1997; Roseman, 1991), the relationship between conflicting congruency appraisals and resulting emotions is relatively nascent. However, when information is appraised as both congruent and incongruent the expected result would be a mixed emotional response – both positive and negative emotions. Very little research has combined appraisal theory and coping to examine how consumers cope with mixed feelings.

Coping occurs when a situation is sufficiently important to consumers and when they perceive a potential threat to their goals or some level of personal relevance (primary appraisal). Consumers also evaluate if action can be taken to change the situation (secondary appraisal), such as looking for more information (Folkman et al., 1986). These situations are often characterized by negative emotions, which have been the focus of the majority of coping research. Recently, however Folkman and Moskowitz (2000) considered positive affect in the presence of negative affect in the coping process. The relationship between emotions and coping is complex and people are likely to experience multiple and conflicting emotions (Folkman & Lazarus, 1988). This research focuses on coping in the context of positive, negative, and conflicting mixed emotional states.

In addition to examining primary and secondary appraisals, two coping strategies are emphasized in this research: problem-focused coping and emotion-focused coping (Folkman & Lazarus, 1988; Folkman & Moskowitz, 2004; Duhachek & Iacobucci, 2005). Problem-focused coping relates to ways the consumer can solve or manage the problem or change the conditions surrounding the stressful situation, such as in confrontive coping or planful problem solving. In emotion-focused coping, consumers attempt to change their understanding or the meaning of the perceived source of stress in order to regulate stressful emotions, either through distancing, positive reappraisal, or social support. Coping responses to conflicting mixed emotions have not been assessed in previous research but it is understandable that consumers would engage in coping strategies, either emotion-focused or problem-focused. Based on previous research in emotion and coping, the following hypotheses are presented:

Primary Appraisal

H1: Personal relevance will be greater for respondents exposed to conflicting mixed information compared to those exposed to positive- and negative-only information.

Secondary Appraisal

H2: Respondents exposed to conflicting mixed information will want more information before acting than those exposed to positive- and negative-only information.

Coping

H3: Respondents exposed to negative-only and mixed information will exert greater coping effort than those exposed to positive-only information.

H4a: Respondents in the negative-only and mixed information conditions will engage in greater levels of active coping, a form of problem-focused coping, when compared to those in the positive-only condition.

H4b: Respondents in the mixed information condition will engage in greater levels of social support coping, distancing, and positive reappraisal, forms of emotion-focused coping when compared to those in the negative- and positive-only conditions.

Method

Participants were randomly presented with 1 of 3 types of information congruency: positive-only, negative-only, or mixed (conflicting) information about the restaurant. The stimuli included summary background information, a purchase scenario, and information congruency stimuli.

Measures

Levels of positive and negative emotions were assessed. Two measures of ambivalence were used: objective and subjective. Primary appraisal (personal relevance), secondary appraisal (need for more information), coping effort, and coping strategies (problem-focused and emotion-focused) were assessed with measures based on previous research by Folkman et al. (1986) and Duhachek and Iacobucci (2006).

Results

Manipulation Checks

As expected, respondents receiving positive information experienced significantly more positive emotion than either negative or mixed conditions. The negative condition was rated as being significantly more negative than either the positive or mixed conditions. Finally, participants exposed to mixed information experienced significantly higher levels of subjective ambivalence and objective ambivalence.

Primary Appraisal

As expected, respondents in the mixed information conditions experienced significantly higher levels of personal relevance ($M=2.05$) compared to positive and negative-only information conditions ($M=1.68$; $t(76)=-1.97$, $p<.05$). H1 was supported.

Secondary Appraisal

In support of H2, those in the mixed information condition ($M=3.60$) were significantly more likely to need to know more information before making a decision than those in the positive- and negative-only information conditions ($M=2.35$; $t(76)=-4.68$, $p<.01$).

Coping

Consistent with previous research (Folkman & Lazarus, 1988), H3 was supported. Respondents in the negative-only and mixed information conditions ($M=3.03$) exerted significantly greater coping effort than those in the positive-only condition ($M=2.23$; $t(76)=-2.43$, $p<.01$).

H4a was supported. Those in the negative-only and mixed information conditions ($M=5.12$) exhibited significantly higher levels of active coping when compared to those in the positive-only information condition ($M=4.05$; $t(76)=-3.31$, $p<.01$).

H4b was partially supported. Respondents exposed to the mixed information were significantly more likely to engage in two of three emotional focused coping strategies, specifically social support ($M=4.28$) and distancing ($M=3.57$) coping strategies compared to those in the positive- and negative-only information conditions (social support ($M=3.61$; $t(76)=-2.43$, $p<.01$), distancing ($M=2.94$; $t(76)=-2.74$). Although those in the mixed condition were likely to engage in positive reappraisal ($M=4.58$), this difference was not significantly different from the positive- and negative-only conditions ($M=4.11$; $t(76)=-1.54$, $p=.13$).

General Discussion

These findings are consistent with and extend research in the area of emotions and coping. Consumers experiencing ambivalence find the situation personally relevant, would like more information to reach a resolution, and exert effort coping – both emotion-focused and problem-focused coping strategies. Although those in the negative condition do not find the situation as personally relevant or engage in secondary appraisals, consumers do exert coping effort, specifically with problem focused coping. Further research is needed to examine these relationships in greater detail.

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CONSUMER ANGER: CAUSES AND CONSEQUENCES

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ABSTRACT

Although consumer anger is a frequently occurring emotion in consumer-to-firm relationships, previous studies have failed to examine the consumer anger phenomena in the consumption setting. This paper uses a critical incident technique to classify the causes of consumer anger and also discusses the consequences of consumer anger for offending firms. Findings indicate that there are three general causes of consumer anger and a litany of consequences for offending firms including exit, reduced patronage levels, location changes, and avoidance of certain employees.

Much of marketing research is preoccupied with the creation and maintenance of consumer-to-firm relationships. However, less focus has been placed on the dissolution of those relationships and the damage caused by anger. Given that anger is a frequently experienced emotion (Averill, 1982; Robbins, 2000) and a strong driver of thought and behavior (Frijda, 1986) further examination is warranted. Consumer anger can cause consumers to behave in ways that cost firms money and that damage the consumer-to-firm relationship (Huefner and Hunt, 2000). Therefore, understanding this behavior is in the best interest of firms. The proposed research attempts to fill this gap by exploring the consumer anger phenomena. This research utilized the critical incident to explore consumer anger resulting from personal interactions.

This research builds on existing literature by exploring the role of a specific emotion, consumer anger, in the complaint behavior process. Despite the plethora of work conducted in the area, very little of that work focuses on the role of specific emotions. This research will examine the causes of consumer anger and the effect of consumer anger on consumer decisions to continue or terminate their relationships.

Anger is associated with appraising an event as harmful and frustrating. It can be aimed at another person, an institution, the situation, or the self. Anger is a special emotion because it carries with it action tendencies. Anger is typically driven by a need to restore equity and justice (Averill, 1982). Behaviors that typically follow anger include aggression, hostility, and revenge. Consumers engage in these behaviors to discourage the service provider from doing what caused the anger and to recover the service failure (Bougie, Pieters, and Zeelenberg, 2003).

Prior research suggests that anger is caused by violations of the moral code of conduct or is the result of moral outrage (Diaz and Ruiz, 2002; Weiner, 2000). Anger is also thought to be caused by an inability to attain desired goals (Nyer, 1997). Additionally, feelings of anger are associated with individual perceptions of mistreatment (Rose and Neidermeyer, 1999). However, there has been no research conducted in the consumer context to support these assertions. Hence, there is a need for research into the causes of consumer anger. The consumption setting is special because it involves specific roles, and expectations of its members. Very little research has been conducted regarding the role of consumer anger in the marketplace.

Anger has two characteristics that distinguished it from other emotions. The first is the belief that we have been voluntarily wronged unjustifiably (Averill, 1982; Lazarus, 1991). The second is the element of blame (Averill, 1982). Much of researchers' present knowledge of anger comes from Averill's (1982) study. Unfortunately, Averill's finding that situational factors seldom lead to anger does not hold true in a consumption setting. In fact, consumer behavior researchers argue that it is the interpretation of situations that lead to anger. The consumer-to-firm relationship differs in fundamental ways from the relationship setting examined by Averill; hence there is a great need to understand anger and its effects in this environment.

I utilized the critical incident technique. This technique takes the stories told by consumers and classifies them into categories based on the situational factors reported. Respondents were asked to describe an incident with a service provider which left them angry. Each incident reported by respondents was required to meet several criteria. First, it must have evoked feelings of anger from the consumer. Second, the incident must have involved a service encounter. Students were used to recruit non-student participants. A total of 259 critical incidents were analyzed and categorized by two trained coders. The incidents described by respondents covered a variety of service contexts.

To uncover the causes of consumer anger, the data were sorted into three categories drawn from previous research. The causes of consumer anger were broken promises (60%), unfairness (27%), and expressed hostility (12%). The broken promises category is defined by an individual's belief that the firm did not fulfill its promises or obligations owed to the customer. These incidents deal with situations where promises were broken by the firm or its employees. The unfairness category is defined by an individual's belief that the actions of the firm or its employees were not wrong or unfair. This category involved situations that excessively favor the firm. These perceptions of unfairness are key factors in consumers' post purchase decision making. The expressed hostility category is defined by an individual's belief that someone at the firm expressed hostility toward them. In these incidents the rules of behavior for buyers and sellers appear to have been violated. This category involved breaches of accepted social norms.

To assess the effect of anger on consumer-to-firm relationships, respondents were also asked if they decided to terminate their relationship as a result of the incident. The results of the study suggested that consumer anger had an impact on consumers' decisions to continue or terminate their firm relationships. Consumer anger incidents resulted in 40% of respondents deciding to no longer do business with the firm in question. This represents a considerable loss of business for firms.

Although many chose to remain with the firm, there were still serious consequences. First, 33% of the respondents reduced their patronage with the firm. In addition, 9% of respondents stopped shopping for certain products or services. Therefore, these consumers actively sought to reduce their reliance on these firms for needed products and services. Second, 33% of the respondents altered their behavior by either changing locations or avoiding certain employees. This illustrates the respondent's desire to maintain the relationship while reducing the possibility of future failures. Third, 25% of respondents maintained their relationship because they had to. These respondents expressed a lack of options which prevented them from acting.

In conclusion, this research examined the causes of consumer anger across many retail contexts and identified three elements which frequently provoked anger incidents. This study shows that angering customers comes with consequences, even if they decide to stay, and is influential in consumer exit decisions.

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**DO IMPLICIT COGNITIONS NEED TO MATCH?
EFFECTS OF CELEBRITY MORPHING ON MATCHED
AND MISMATCHED BRANDS**

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ABSTRACT

Celebrity endorsement is a frequent appeal in contemporary commercials, with almost one fifth of television advertisements using famous spokespeople. Celebrities generally score significantly higher on trustworthiness, likeability and persuasiveness and impart higher prices than other product endorsers. This has typically been thought to work through meaning transfer. For a transfer to occur there needs to be a perceived match between meanings of the celebrity and the brand. This idea has been developed and supported in work on the match-up hypothesis.

These studies, however, have used explicit measures of attitudes and other behavioral determinants. Recent research suggests that more implicit effects of celebrity endorsers may also occur. For example, a study using celebrity voiceover ads found that prior attitude toward the celebrity can transfer to the endorsed brand even when the celebrity is not explicitly identified by respondents. This raises the question of whether at an implicit level, a celebrity may provide benefits even when a mismatch with the brand occurs.

Celebrity voice-over is only one approach to achieving an implicit effect. Another approach is through the use of digital morphing. Morphing requires digital photographs of two faces (e.g. - an unknown model and a celebrity). A computer program delineates corresponding points located at several facial landmarks of both photos and generates a new face based on a weighted average of the source faces.

Some scholars have recently begun examining the impact of morphed images. For example, it was found that people exhibited greater trust in an on-line partner when the partner's photo was morphed with the subject's own face. Evidence of trait transferal from self to brand has also been found when a model in an ad is morphed with the consumer's own image.

Recent studies indicate that prior exposure to a known face can influence attitudes when morphed with an unknown face. For example, a study found that morphing an unknown candidate with Hillary Clinton improved the ratings of the unknown candidate. When the unknown candidate was morphed with a lesser-known politician, increased liking did not occur. Interestingly, the Clinton morph produced increased liking among both Democrats and Republicans, suggesting the impact occurs below the level of conscious evaluation. This is consistent with a number of other studies in subliminal priming.

In a consumer context, ads with celebrity morphs may work similarly to ads with explicit celebrity endorsement, improving attitudes, increasing price perceptions and recollection of the product. However, processing these images at an implicit level may result in an absence of specific cognitions about the celebrity. If true, a celebrity morph might be effective regardless of how well (or poorly) the celebrity matched the brand being advertised.

To examine this, an exploratory study was conducted. A pretest identified a visually recognizable celebrity (Jude Law) and showed that people had strong perceptions of which hotel chains would match or not match. As a result, Ritz-Carlton (match) and Holiday Inn (mismatch) were selected as the brands.

The study involved a 3 (spokesperson) X 2 (match/mismatch) design. Spokesperson was either a model, the celebrity, or a morph of the two. The morphed image was created using MorphX freeware at a 60:40 ratio. Subjects were 151 students who participated in the experiment as part of a course requirement.

Results

Open-ended responses to a thought-listing question were reviewed. None of the subjects in a morph condition gave any indication that they recognized that any picture alteration had taken place.

It was expected that an interaction between spokesperson and brand would occur for how well the brand and spokesperson fit together. Specifically, the celebrity and morph condition were expected to have a higher perceived fit than the model condition when the hotel was the Ritz-Carlton, but the celebrity would be seen as the poorest fit for Holiday Inn. The results show that there was a significant interaction as predicted [$F(2, 133) = 4.81; p < .01$]. For the Ritz-Carlton, Jude Law was seen as the strongest fit ($M=4.0$) and was significantly higher than the perceived fit of the model in this ad ($M=2.7$). The morphed endorser scored between these other two conditions ($M=3.4$).

For the mismatch, Holiday Inn, the celebrity endorser was perceived as the poorest fit ($M=2.3$), with the model only slightly higher ($M=2.8$) and the morphed endorser ($M=3.2$) being seen as the best fit for this brand. This difference approached significance ($F(2, 35) = 2.35, p = .10$).

An interesting interaction of endorser and brand conditions emerged for brand recall. After seeing the ad for the Holiday Inn hotel (mismatch), participants could recall the brand better when it was endorsed by the morphed model (92%), followed by the ad with celebrity (83%), and the model endorser (77%). Participants who saw an ad for the Ritz-Carlton hotel (match) had a different pattern of recall with the highest level occurring when the brand was endorsed by the celebrity (90%), followed by the ads with the model (75%), and the morph (74%).

Predictions on the perceived value of the brand yielded the most striking results. Here, people were asked to indicate how much they thought a one night stay in the hotel should cost. Significant main effects emerged for the morph condition [$F(2, 130) = 4.5, p < .05$], and the hotel brand [$F(1, 130) = 61.9; p < .001$]. Additionally, a morph by brand interaction effect ($F(2, 129) = 3.42, p < .05$) was found. Participants who saw a Ritz-Carlton ad featuring a celebrity gave the highest estimated cost for a stay in the hotel ($M = \$371.60$), followed by those who saw the ad with a morphed endorser ($M = \$322.45$). Those seeing the model estimated the cost as being far lower ($M = \$195.00$). Post hoc tests showed that morphed and celebrity endorsers produced similar effect ($p > .4$), and were both significantly different

($p < .05$) from the ad with the model. The pattern held only for the 'match' brand, but not for the 'mismatch' brand. For Holiday Inn, seeing a different endorser did not alter the price estimates for a stay ($F(2,65) = .56$, n.s.). Implications and future directions are discussed.

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IN SEARCH OF A SURROGATE FOR TOUCH: THE EFFECT OF HAPTIC IMAGERY ON PSYCHOLOGICAL OWNERSHIP AND OBJECT VALUATION

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ABSTRACT

Previous research has shown that consumers value objects more highly if they own them, a finding commonly known as the endowment effect (Kahneman, Knetsch & Thaler, 1990; Knetsch & Sinden, 1984; Thaler, 1980). Perhaps surprisingly, this effect is not limited to legal ownership; psychological ownership, characterized by the feeling that something “is mine,” also produces the endowment effect. While numerous antecedents of psychological ownership have been identified (Pierce, Kostova & Dirks, 2003), one in particular is of interest to consumer researchers: the ability of an individual to control an object by touching it. Shu and Peck show that when individuals are given the opportunity to touch an object, they report a greater sense of psychological ownership and value the object more highly, as compared to when touch is unavailable.

Unfortunately, touch is not always feasible in consumption and research settings. What if the act of visualizing touch could act as a surrogate? According to MacInnis and Price (1987), imaging is a cognitive, resource demanding process in which sensory information is represented in working memory. It is thought to be multi-sensory, and Bone and Ellen (1992) conjecture that it “may involve sight, taste, smell and tactile sensations” (p. 93). Although research on imagery and the tactile system is limited (Klatasky, Lederman & Matula, 1993), Intons-Peterson and Roskos-Ewoldsen (1989) found a relationship between imagery and touch: subjects took longer to mentally transport imagined objects of greater weight. There is also some evidence for the interdependence of touch and visual imagery, as when tactual images are routinely accompanied by visual images (Katz, 1925).

Since imaging requires cognitive resources and the effects of imagery are mediated by resource availability (Bone & Ellen, 1992; Kisiulus & Sternthal, 1984; Unnava, Agarwal & Haugtvedt, 1996), blocking out perceptual distractions during imaging may enhance its effects. Unnava et al. (1996) found that when imagery and perception compete for the same resources, the positive effects of imaging are reduced. Similarly, Petrova and Cialdini (2005) found that difficulty in imagery generation can reverse the positive effects of imagery appeals. In some instances, consumer behavior researchers have instructed participants to close their eyes when imaging (e.g., Bone & Ellen, 1992; Keller & McGill, 1994 (Experiment 1); Petrova & Cialdini, 2005 (Study 3)), although this was not the focus of these studies. We hypothesize that closing one’s eyes while imaging touching an object leads to greater psychological ownership and valuation than imaging touching an object when one’s eyes are open.

Previous research has documented an individual difference in preference for sensory feedback from touch (Peck & Childers, 2003a, 2003b). Individuals high in autotelic need for touch are motivated to touch because it provides interesting sensory feedback (Peck & Childers, 2003b). In addition, these individuals experience greater emotional response to touch elements, and touch information is more accessible to them (Peck & Childers, 2003b; Peck & Wiggins, 2006). Petrova and Cialdini (2005) note that imagery may be effective because it creates a readily accessible mental image of the experience. It has also been found that the effects of imagery are influenced by affective response to the experience

(Keller & McGill, 1994). Since touch information is more accessible to high autotelics, and they have a greater affective response to touch input, we hypothesize that for individuals high in autotelic need for touch, touch imagery leads to greater psychological ownership and valuation compared to individuals low in autotelic need for touch.

An experimental study was designed to examine the effect of touch imagery on both psychological ownership and valuation. The design was a 4 (imagery/touch: imagery eyes closed, imagery eyes open, no touch no imagery, touch with no imagery) x 2 (product: Koosh ball, blanket) x 2 (autotelic need for touch: high, low), with the first factor manipulated between subjects, the second factor within subjects, and the third factor measured between subjects. Three hundred and twenty-six individuals participated in the study.

Our first hypothesis predicted that when participants imaged touching the product with their eyes closed, both psychological ownership and valuation would be greater than when participants imaged with their eyes open. An ANOVA revealed a main effect of touch/imagery for both psychological ownership ($F(3, 318) = 3.85, p = .01$) and valuation ($F(3, 318) = 3.94, p = .009$). For psychological ownership, both the touch (t) condition and the touch imagery with eyes closed (tieg) condition resulted in a significantly stronger sense of ownership than the touch imagery with eyes open (tieg) condition and the no touch-no imagery (ntni) condition. Interestingly, there was no significant difference in either psychological ownership or valuation between the touch imagery with eyes closed (tieg) condition and the condition where actual touch was possible (t).

For valuation as the dependent measure, the results were similar. The valuations in the touch imagery with eyes closed (tieg) condition were higher than the touch imagery with eyes open (tieg) condition, although $p = .08$. As with psychological ownership, valuation in the tieg condition was significantly greater than valuation in the ntni condition, and there was no difference in valuation between the tieg and the touch condition or between the tieg and the ntni conditions. Finally, as with psychological ownership, valuation was significantly greater in the touch condition compared to the ntni condition.

The second hypothesis predicted an interaction between touch/imagery and the individual difference autotelic need for touch. This interaction was not significant for either dependent variable. However, there was a main effect of autotelic need for touch for both psychological ownership ($F(1, 318) = 5.97, p = .02$) and valuation ($F(1, 318) = 13.29, p < .009$), with high autotelics feeling more ownership (M 's = 2.16 and 1.84) and valuing the products higher (M 's = \$5.54 and \$4.62) than low autotelics. This research contributes to the touch literature as well as the imagery literature.

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CORRECTING FOR RECOMMENDATIONS: WHEN IT HURTS AND WHEN IT HELPS TO BE A SALESPERSON

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ABSTRACT

Imagine that you are trying on a jacket in a store and either a friend who is shopping with you or a salesperson who might be working on commission recommends the most expensive jacket you have just tried on. We would expect consumers like you to be more influenced by the recommendation coming from the friend than by the recommendation coming from the salesperson (for a review on similar source effects, see Wilson and Sherrell 1993). From a marketing perspective, however, it would be interesting to understand how we can change the effectiveness of these recommendations, and perhaps make a product recommendation coming from a distrusted source, such as a salesperson, more effective.

Our framework proposes that motivating consumers to correct their judgments for the influence of a recommendation may change the effectiveness of a recommendation and eliminate such source effects. Previous research on correction (e.g., Wegener and Petty 1995) demonstrates that individuals correct for the perceived bias in their judgments by making adjustments opposite to their lay theories of how they believe the context is influencing their judgments. Consequently, source effects may disappear when consumers are reminded to remove bias from their judgments. However, it is not known from previous research how correction operates to produce this effect. Does motivation to correct affect the lay theory itself or affect something else?

We propose that when consumers are motivated to correct their judgments, a metacognitive process takes place and shakes consumers' attitude certainty (e.g., Tormala and Petty 2002, 2004), and this, in turn, affects consumers' behavioral intentions. As a result, correction can eliminate differences in the effectiveness of recommendations coming from trusted or distrusted sources. We show that, ironically, asking consumers to correct for a recommendation from a distrusted source (e.g., a salesperson) can increase consumer's certainty and increase the effectiveness of the recommendation, even though perceptions of the recommending agent remain the same (i.e., the salesperson is still believed to have ulterior motives).

Study 1 employed a 2 source trustworthiness (salesperson vs. friend) x 2 correction (no-correction vs. correction) between-subjects design and 167 marketing students (75.9% male, average age = 20.10) participated. Participants read a written scenario adapted from Campbell and Kirmani (2000), similar to our opening example. Half of the participants were instructed to "be sure that the salesperson's (your friend's) opinion would not influence their own opinion" (based on Wegener and Petty 1995). After participants read the scenario, we measured willingness to buy and attitude relative to the recommended and the non-recommended jacket, and certainty of attitude towards the recommended jacket, all with 7-point scales.

A 2 source x 2 correction ANOVA on relative willingness to buy showed a significant main effect of source ($F(1,163) = 4.79, p < .03$). This main effect was qualified by a significant interaction

between source and correction ($F(1,163) = 4.18, p < .05$). Consistent with our prediction, in the no correction condition, participants were more willing to buy the recommended jacket when the friend recommended it than when the salesperson recommended it ($M_{\text{friend}} = 6.21, M_{\text{salesperson}} = 4.37, F(1,78) = 8.41, p < .01$), but correction eliminated this difference ($M_{\text{friend}} = 5.77, M_{\text{salesperson}} = 5.70, F(1,85) = .012, p > .90$). Planned contrasts indicate that, after correction, willingness to buy the recommended jacket significantly increased in the salesperson condition ($F(1,80) = 4.43, p < .04$) and decreased in the friend condition, though not significantly ($F(1,83) = .56, p > .40$)).

A 2 source x 2 correction ANOVA showed a significant interaction between source and correction on attitude certainty ($F(1,163) = 4.11, p < .05$). Because we propose that the interactive effect of source and correction shifts attitude certainty, which, in turn, affects behavioral intentions, we conducted a series of regressions whereby source, correction, and the source x correction interaction were the independent variables in a mediated moderation analysis (Baron and Kenny 1986). The results support the mediating role of attitude certainty. Failure to find an effect of correction on perceived ulterior motives or overall attitude casts doubt on the view that these are possible mechanisms underlying the effect. Because for both overall attitude and perceived ulterior motives the first step to test for mediation did not hold, it seems unlikely that these variables are mediating the effect.

In study 2 we provide further support for the process mechanism of certainty. We manipulate certainty through subliminal priming and develop a new scenario that controls for the source of the recommendation. Study 3 employed a 2 certainty (uncertainty vs. certainty) x 2 correction (no-correction vs. correction) between-subjects design and 167 marketing students (64% male, average age = 20.29) participated.

We subliminally exposed participants to certainty or uncertainty-related words in a lexical decision task, and then had them participate in a supposedly unrelated “apartment study”. Participants read a scenario in which they were looking for an apartment to rent. The dependent measure was relative behavioral intentions towards the recommended and non-recommended apartments.

As predicted, we found a significant interaction between certainty and correction on behavioral intentions ($F(1, 163) = 5.35, p < .03$). In the no correction condition, participants primed with certainty had more favorable behavioral intentions towards the recommended apartment than participants primed with uncertainty ($F(1, 90) = 4.99, p < .03$). When participants were instructed to correct, this difference was eliminated ($F(1, 73) = 1.13, p > .3$). Planned contrasts indicate that correction made participants significantly less willing to rent the recommended apartment in the certainty condition ($M_{\text{no correction}} = 4.58, M_{\text{correction}} = 3.57; F(1, 76) = 9.08, p < .01$), and more willing to rent the recommended apartment in the uncertainty condition, though not significantly ($M_{\text{no correction}} = 3.80, M_{\text{correction}} = 3.94; F(1, 87) = .15, p > .70$).

The studies show that correcting for a perceived influence of a recommendation moderates the effect of source trustworthiness on behavioral intentions and changes the effectiveness of a recommendation. We propose that this effect is mediated by attitude certainty, and we show that the effect occurred without changes in participants’ perceptions of the recommending agent’s motives. For example, after correcting their judgments, a recommendation delivered by a distrusted source became more effective, even though participants still believed the source to have ulterior motives.

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**AFFECTIVE FORECASTING AND SELF-CONTROL:
HOW PREDICTING FUTURE FEELINGS INFLUENCES HEDONIC CONSUMPTION**

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ABSTRACT

In this research we examine the influence of affective forecasting on consumers' abilities to engage in self-regulatory efforts. We examine the effects of four distinct anticipated emotions-- anticipated pleasure, shame, pride, and deprivation-- in their impact on self-regulation of a hedonic consumption experience. These emotions differ in valence (positive valence associated with pleasure and pride vs. negative valence associated with shame and deprivation) and in whether their evocation is linked to failing to control impulses (e.g., pleasure and shame) vs. engaging in impulse control (e.g., pride and deprivation). For instance, will the anticipation of pride from not consuming a tempting dessert promote more or less ability to control consumption of that cake than the anticipation of the shame associated with consuming it?

We hypothesize that an affective forecast of a specific emotion acts as an effective self-regulatory tool when a) it shifts attentional focus from the tempting stimulus to the goal of self-regulation, and (b) provides an alternative reward (other than the temptation) or positive outcome (e.g., positive feelings or self-enhancement) consistent with a positive emotion-regulation goal. These two criteria, we argue, point to the efficacy of anticipating pride as an intervention that enhances an individual's ability to resist temptation.

The objective of the empirical investigation is to examine whether and to what extent the anticipation of each of these discrete emotions individually impact the likelihood of consuming a hedonic product. We rely on actual choice (as opposed to perceived choice likelihood) and measure actual consumption behavior. Importantly, this study combines verbal self-reporting (e.g. thoughts and feelings at recorded time intervals), with behavioral measures (e.g. smelling the food, pushing it away, covering it; as recorded on camera) and actual consumption (e.g. number, size and frequency of bites; as coded by independent coders) to provide insight into the potential use of affective forecasting of specific consumption-related emotions as an intervention tactic to enhance self-regulation. Consistent with our theorizing, we find that anticipating pride is most effective in enhancing self-control compared to anticipating shame, pleasure or deprivation.

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CREDIT CARD PREMIUM: THE INTERPLAY OF DESIRABILITY AND FEASIBILITY IN SPENDING DECISIONS

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ABSTRACT

Extant literature indicates that the use of credit card as a payment mechanism increases the propensity to spend as compared to other modes of payment in otherwise identical purchase situations (Feinberg 1986, Hirschman 1979, Prelec and Simester 2001, Soman 2001). The above-mentioned phenomenon has been termed as the credit card premium by Prelec and Simester (2001). Though past research has examined the issue of credit card premium, certain facets remain unexamined. The objective of this research is to study how consumers construe the desirability and feasibility aspects of a purchase situation when paying with credit cards and how this construal impacts the spending decisions.

The issue of credit card premium gains importance not only from a consumer welfare perspective but also as prior research has not clearly discerned the reasons underlying the phenomenon. Feinberg (1986) suggests a weapons-effect and a classical conditioning explanation for the phenomenon. This explanation has been criticized on various grounds (see Hunt, Florsheim, Chatterjee, and Kernan 1990; Shimp and Moody 2000). Prelec and Loewenstein (1998) propose a mental accounting model that is applicable to a wide variety of savings and debt behavior, but not specifically to the issue of credit card premium. Soman (2001) offers a memory-based explanation for the credit card premium. He suggests that credit card payments are low in both, salience and vividness, which results in an underestimation of past spending, and an increased propensity to spend. While this may be true of small payments, large payments are likely to have a greater salience and pain of payment (Prelec and Loewenstein, 1998). The framework suggested by Soman (2001) does not explain the consumer behavior in such a situation.

In my conceptualization I argue that consumers evaluate the desirability and feasibility aspects of a purchase situation differentially, depending on their intended mode of payment. Considerations pertaining to the end-state of consumption like the design, aesthetics, sophistication, and features of a product may be termed as desirability aspects of purchase whereas, considerations pertaining to the means of attaining the desired state like price, discounts, financing options and affordability may be termed as feasibility aspects of purchase (Thomas, Chandran and Trope 2006). Construal level theory (Trope and Liberman 2003; CLT henceforth) offers a framework in evaluating desirability and feasibility issues in inter-temporal choice. According to CLT, people construct different representations of the same information depending on whether the information pertains to the near or distant future. High-level construals refer to abstract, relatively simple, and de-contextualized representations of the available information; and as such these high-level construals are given higher weight in distant future decisions. On the other hand, low-level construals are more concrete, include subordinate, contextual, and incidental features of events; and as such these low-level construals are given lower weight in distant future decisions. Liberman and Trope (1998) postulate that desirability aspects are related to high-level construals whereas feasibility aspects are related to low-level construals. The above predictions from CLT can be extended to hypothesize that consumers using credit card to pay for their purchase give low weight to feasibility issues (because of temporal delay in payments) thereby causing an increased propensity to spend. However, the role of desirability in credit card purchase consideration is not clear especially since feasibility gets low weight and consumption is immediate. It is possible that

desirability issues may be weighed similarly in credit card and cash purchase whereas feasibility issues are given lower weight in credit card purchase. Alternatively, since the feasibility gets less weight in credit card purchases, the focus could shift to desirability issues resulting in higher weight and a biased processing. Prior research has demonstrated differential focus on features and selective perception (Hastorf and Cantril 1954, Houston and Sherman 1995, Houston, Sherman and Baker 1989, Nayakankuppam and Mishra 2005, Shafir 1993). For example, Shafir (1993) shows that people focus on positive features in the decisions they accept and focus on negative features in the decisions they reject. This research seeks evidence for the second explanation that credit card and cash buyers focus on different features of desirability and feasibility.

Experiment 1

The main objective of this experiment was to replicate the credit card premium effect and show that credit card buyers focus more on desirability features as compared to cash buyers. One hundred and forty nine students participated in a computer-based experiment for partial credit. Three products (a cell phone, a camera and a GPS) were displayed in both credit card as well as cash condition along with a brief description. The credit card condition mentioned that the retailer accepted VISA, MasterCard and American Express only whereas the cash condition mentioned that the retailer accepted only cash. Willingness to pay was elicited in each condition. In addition, the participants were asked to rate the desirability of the products on a scale of 1 to 5. Thus, it was a 3 (product: cell phone, camera and GPS) \times 2 (payment format: credit card vs. cash buyers) mixed design study with first factor, product as within subjects and the second factor, payment format as between subjects. As predicted, a repeated measures analysis indicated a significant difference between the credit card and cash conditions in willingness to pay, $F(1,147) = 4.3, p < 0.05$ and in desirability ratings $F(1,147) = 36.94, p < 0.0001$.

Experiment 2

In a free recall task, credit card buyers should demonstrate a bias for the desirability features, and against the feasibility features, of the item under purchase consideration. In a computer study, a hundred and ninety nine participants were shown a cell phone with its features and asked to quote their reservation price in both cash and credit card condition (manipulation similar to experiment one). All participants also listed six thoughts about the product and code each thought as pertaining to desirability, feasibility or neutral. The thought listing and price elicitation were counter-balanced, resulting in a 2 (payment mode: credit card vs. cash) \times 2 (order: thoughts-price vs. price-thoughts) between subjects design. A factorial ANOVA revealed that order condition did not interact with any variable. Consistent with the credit-card premium notion, there was a significant main effect for payment, $F(1,195) = 4.3, p < .05$. A repeated measures analysis examining the number of desirability and feasibility thoughts yielded a payment condition \times thought interaction, $F(1,195) = 9.85, p < .005$. Credit card buyers, compared to cash buyers, generated more thoughts about desirability ($M = 2.39$ vs. $M = 2.06, F(1,195) = 5.13, p < 0.05$) but fewer thoughts about feasibility ($M = 0.84$ vs. $M = 1.24, F(1,195) = 8.34, p < 0.001$).

Proposed Experiment 3

Experiment 3 would utilize response latency to examine the accessibility and association between concepts.

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UNDERSTANDING WEBSITE INTERACTIVITY IN ONLINE SHOPPING EXPERIENCE: THE ROLE OF AVATARS

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ABSTRACT

In an online shopping context, extant research has focused on determinants of perceived website quality, such as information quality, design and aesthetics, ease of use, and privacy (Lynch, Kent & Srinivasan., 2001; Lohse & Spiller, 1999; Swaminathan, Lepkowska-White & Rao, 1999; Wolfenbarger & Gilly, 2003). However, little research has been conducted on the topic of website's interactivity (Holzwarth, Janiszewski & Neumann, 2006; McMillan, Hwang & Lee, 2003) and only one (Holzwarth et al., 2006) has considered the impact of an avatar's presence on consumer's online shopping intentions. An avatar, in this context, refers to a virtual personified representation created by means of computer technology (Holzwarth et al., 2006). Avatars have the characteristic of being perceived from an anthropomorphic point of view (Nowak, 2004) leading consumers to observe them as if they were humans which increases website's interactivity level (Koda & Maes, 1996; Nowak, 2004). The objective of this paper is to understand how the presence of avatars on a website's opening page (website interactivity) influences consumer's online shopping intentions. In particular, we focus on the (two-way) interactions of presence of avatars and consumer's mood, product involvement, and gender on online shopping intentions.

We investigate three basic research questions: First, does consumer's mood affect the impact of avatars on shopping intentions? In line with the perspective that consumers form an anthropomorphic perception of the avatar, we propose that consumers will perceive the avatar more favourably when they are in a good mood compared to when they are in a bad mood (Swinyard, 1993; Venkatesh & Speier, 1999) and will therefore have higher shopping intentions.

Second, does consumer's product involvement affect the impact of avatars on shopping intentions? Under high involvement, we expect that consumers will enjoy the interaction with an avatar who shares a similar knowledge base about the product (Doney & Cannon, 1997). This, in turn, will result in higher shopping intentions.

Third, does consumer's gender affect the impact of avatars on shopping intentions? Past research shows that males like computer technologies and video games better than females (Wilder, Mackie & Cooper, 1985; Williams, Ogletree, Woodburn, & Raffeld, 1993). We propose that interacting with an avatar would lead to higher shopping intentions for males than females.

A music website was chosen, because according to e-commerce literature (Moe & Fader, 2001; Park & Fader, 2004), music is one of the most consumed products on the Internet. The study consisted of a four-way full-factorial design ($2 \times 2 \times 2 \times 2$) with Website Interactivity (avatar vs. text-only), Mood (bad vs. good), Product Involvement (low vs. high), and Gender (males vs. females) as the factors. Each subject randomly received one of four experimental conditions. Consumer's mood and website interactivity were manipulated and presented as independent parts, whereas differences in product involvement and gender were achieved by sample selection. Consumers' mood was manipulated by

using either a difficult (bad mood) or easy (good mood) 25-item five-letter anagram test that took about 5 minutes (Weyant, 1978, Swinyard, 1993). For website interactivity, a scenario-based manipulation was used (Bitner 1990; Oliver & DeSarbo 1988; Suprenant & Solomon 1987). Website interactivity was manipulated by having the information presentation in a text-only format or by using a female avatar in the presentation in which the avatar introduced itself. Finally, product involvement was inferred by dividing subjects in two halves (low vs. high) based on annual CD purchases in dollars; subjects who spent less than \$20 a year in CDs were assigned to the low product involvement category, while those who purchase for more than \$20 a year in CDs were assigned to the high product involvement category.

A total of 145 subjects participated in the study. Cronbach's alphas for the measures of website interactivity, mood, product involvement, and shopping intentions were acceptable (Nunnally, 1978), ranging between .85 and .93. Website interactivity was measured using a 9-item scale created by authors. The website interactivity manipulation was successful: subjects who were in the avatar condition found the website to be more interactive than the ones in the text-only condition ($\bar{M}_{Avatar} = 34.29$, $\bar{M}_{Text-only} = 26.73$, $p < .01$). Mood was measured using a 5-item scale (Swinyard, 1993) and the mood manipulation was also successful ($\bar{M}_{Good} = 27.03$, $\bar{M}_{Bad} = 23.18$, $p < .01$). We measured product involvement using a 6-item scale (Srinivasan & Ratchford, 1991) and, as expected, subjects spent more on CDs were also more involved towards CDs ($\bar{M}_{High} = 24.42$, $\bar{M}_{Low} = 16.26$, $p < .01$).

All proposed interactions were significant (mood \times website interactivity, $p < .01$; involvement \times website interactivity, $p < .08$; and gender \times website interactivity, $p < .02$), which suggests that: (1) consumers in a positive mood who see an avatar have higher shopping intentions than those who see a text-based website's opening page, (2) consumers with high product involvement levels who interact with an avatar have higher shopping intentions than those who use a text-based website, and (3) male consumers who interact with an avatar have higher shopping intentions than female consumers.

These findings are consistent with extant research results in human interaction context. Consumers' mood results were similar to those found in consumer/seller interactions (Swinyard, 1993), as well as findings in technology acceptance (Venkatesh & Speier, 1999). Consumers' product involvement findings confirm the belief that consumer/salesperson interactions are more desired when the consumer is involved with the product (Doney & Cannon, 1997). Also, differences in technology acceptance (Wilder et al., 1985; Williams et al., 1993) play a major role on avatar's presence acceptance too. Nevertheless, our results did not support a homophily hypothesis (Fischer, Gainer & Bristor, 1997) which suggests that females would prefer female avatar (seller) more than males in this consumer/seller interaction context.

These findings imply that avatars should be used carefully as company representatives. Managers should consider the state of consumers' mood, level of product involvement, and the gender of consumers prior to implementing avatar-based interactions on their company websites. Finally, further research should investigate the perception of avatar's anthropomorphism, social desirability towards the avatar, and irritability of the avatar.

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**THE “KICK ‘EM WHILE HE’S DOWN” EFFECT:
CONSUMERS’ RESPONSES TO UNFORTUNATE LEADERS
WHEN JUDGING CORPORATE CRIME**

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ABSTRACT

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 its 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 support 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.

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A PERCEPTUAL DISCREPANCY ACCOUNT OF INCREASED EXPLICIT MEMORY AND PREFERENCE FOR BRANDS

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ABSTRACT

Imagine socializing at a bar with friends. Before you have had a chance to buy a drink, a young lady approaches and gives you a Labatt's Blue contest ballot. Will you be more likely to order a Labatt's Blue after you return the completed ballot to the bar? The fact that the depiction of "Labatt's" on the bottle label, the lady's t-shirt, and on the ballot are identical may make you process "Labatt's" in a fluent manner at the bar (e.g., repetition priming; Scarborough, Cortese, and Scarborough 1977). This processing fluency may also translate into higher preference towards Labatt's (Lee and Labroo 2004; Whittlesea 1993) and may result in a greater likelihood of choosing Labatt's (Mandel, Petrova, and Cialdini 2005).

The Canadian Criminal Code prohibits for-profit gaming and betting activities. Similar restrictions are in place in the United States but vary by state. To avoid violating the code, many marketers add skill-testing questions to contest ballots. We propose that the placement of skill-testing questions may influence contestants' behaviour.

Research suggests that solving a math problem increases familiarity towards an unrelated word (Niewiadomski and Hockley 2001), and that solving an anagram increases familiarity and preference towards an unrelated brand (Kronlund and Bernstein 2006). This preference is pure illusion, as brands are randomly assigned to anagrams. In these studies, participants were asked to make preference judgments after making a memory decision. Thus, the first aim of this study is to determine whether the preference illusion is due to having just performed a memory task. This is important in the context of ballots, where consumers are not asked about their memory of the featured brand.

The second aim of this study is to understand the mechanism by which the observed preference illusion is explained, and whether it is the same as that for the recognition illusion. Importantly, this recognition illusion, termed "the revelation effect" (Watkins and Peynircioglu 1990) is not due to repetition priming, as it occurs for novel items, and is not due to absolute fluency of processing, since solving anagrams actually slows participants down (Bernstein et al. 2004). Rather, the recognition illusion is due to the perceived fluency of processing the brand name in the context of puzzle-solving. To elaborate, the puzzle elicits an expectation for slow processing ("GANECY, what is ganecy..."), which is then followed by increased fluency of processing after the realization that the letters of the anagram actually spell a word ("Oh! It's AGENCY!"). This is termed the "perception of discrepancy": a mismatch between expectation and outcome (Whittlesea and Williams 2001). This perception then carries over to the brand that follows and participants claim to have seen it before (Kronlund and Bernstein 2006).

We also question whether the perception of discrepancy can explain the preference illusion in the absence of a memory decision. To illustrate, if the relative perceived ease with which participants

complete the anagram translates into an illusion of preference without explicitly asking them to make a memory decision first, any manipulation that varies perceived ease of processing should predict the preference illusion.

We operationally manipulate the size of the perception of discrepancy using anagram difficulty. Solving anagrams involves at least two components: a) the initial “impression” of the anagram (e.g., “GANECY, what is ganecy...”) and b) a sense of resolution when the puzzle is solved (e.g., “Oh! It’s AGENCY!”). The anagram “GANECY” slows participants down, but when the discovery is made that the letters of “GANECY” actually spell a word, it is processed more fluently than expected. Accordingly, anagrams that are easy to solve may setup an expectation for high processing fluency such that the disparity between the fluency expectation and the actual fluency is minimal. This minimal perception of discrepancy should translate into a minimal preference illusion. Difficult anagrams may also create minimal disparity because the participant a) may not actually solve the puzzle, resulting in an absence of a comparative fluency, or b) may become so frustrated while solving it, that the negative feelings associated with this frustration may dominate the perception of discrepancy, suggesting that an “affect-as-information” heuristic (Schwarz and Clore 1983) may obviate the preference illusion in special cases. Thus, a modicum of puzzle difficulty was predicted to elicit the greatest perception of discrepancy: The participant’s initial impression is qualitatively different from the resolution experienced when the puzzle is solved. Operationalizing the perception of discrepancy in this way permits examination of the mechanism involved in the preference illusion. It is important to note, however, that if the preference illusion were based on perceptual fluency alone (Fang et al. 2007), easy anagrams would elicit the greatest preference.

Boundary conditions are established for the preference illusion. Participants with a high Need for Cognition (Cacioppo and Petty 1982) may be less likely to experience a perception of discrepancy given their familiarity with puzzles and high expectations for processing fluency. In addition, non-native English speakers may encounter a heightened sense of stifled processing fluency when they encounter the anagram: actual fluency may appear exaggerated, and a greater perception of discrepancy may result. Native English speakers should find the anagram easier to solve, resulting in a baseline preference illusion. Thus, Need for Cognition and English proficiency may mediate the effect of anagram difficulty on the preference illusion.

We asked participants to solve anagrams and make judgments about brands. Experiment 1 used a computerized task employing anagrams, and showed that a memory decision is not necessary to create a preference illusion toward brand names. Experiment 2 replicates these results and manipulates anagram difficulty to test the notion that the preference illusion is due to a perception of discrepancy. A between-subjects design in Experiment 3 examines results from Experiment 2 in the context of contest ballots, and Experiment 4 examines the preference illusion in the context of stimulus-based choice. If pairing puzzles with brand names increases the purchase likelihood, federal laws that implicitly dictate the placement of puzzles on contest ballots may need to be reconsidered. Consumers should also be aware of the hidden effects of skill-testing questions.

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UNLEASHING IMAGINATION THROUGH IMAGERY MINDSETS: DISPOSITIONAL AND FACILITATING EFFECTS

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ABSTRACT

Everyday, consumers are exposed to numerous imagery evoking appeals; commercials, print ads, and billboards, repeatedly ask consumers to imagine Caribbean vacations, experiencing the feel of a new car, or how a pension fund will change their future life, just to mention a few. According to the literature on mental imagery, the effectiveness of imagery-provoking communications depends on both the features (e.g., concreteness) of an ad (Babin & Burns, 1998; Lutz & Lutz, 1978; Paivio, Yuille, & Madigan, 1968; Petrova & Cialdini, 2005) and consumers' ability and predisposition to experience mental imagery (e.g., Childers, Houston, & Heckler, 1985; Petrova & Cialdini, 2005). By suggesting that mental imagery can be conceptualized as a psychological state, this research introduces the notion of *imagery mindsets* and provides a new framework for understanding the persuasiveness of imagery appeals.

Empirical evidence in favour of imagery mindsets has been provided by Adavel and Wyer (1998) who, in a post-hoc explanation of their findings, suggested that evaluating an imagery-provoking message (e.g., narrative) might activate an information processing style that affects the evaluation of successive messages. Despite this evidence and compelling explanation, no formal account of the notion of imagery mindsets has been provided so far in the literature.

We address this gap in the literature by defining imagery mindsets as the *transfer effects occurring from a task entailing mental imagery processing to a subsequent task*. Our conceptualization of imagery mindsets is rooted in Paivio's Dual Code Theory (e.g., Paivio, 1991) which suggests the existence of two independent and interrelated cognitive subsystems respectively specialized in the representation and processing of visual information – the visual code – and verbal/analytical information – the verbal code. Moreover, we propose that the notion of *transfer effects* can be qualified through the theoretical perspectives of *spreading activation models* or *processing approaches* to cognition.

Under spreading activation models, information processing styles, like knowledge, motives, and goals, once activated, might be applied to other, unrelated tasks (for a review Andersen, Moskowitz, Blair, & Nosek, in press). According to this perspective, the imagery mindset can be understood as a *disposition* to adopt an imagery processing style (MacInnis & Price, 1987) when performing subsequent, unrelated task (e.g., a product evaluation).

Processing approaches propose that practice on a task can facilitate subsequent tasks that share similar mental processes (e.g., Kolers & Roediger, 1984; Roediger III, 2002; Roediger III, Buckner, & McDermott, 1999). For instance, within the domain of skills transfer, it has been shown that reading an inverted text increases reading speed of (different) rotated texts; this facilitation is believed to be due to the mental processes shared by the two tasks (Kolers & Perkins, 1975). Thus, according to the

processing perspective, the imagery mindset can be understood as a *facilitator* of imagery-provoking information.

The distinction between a *mindset-as-disposition* and a *mindset-as-facilitation* has important implications for consumer psychology. Since imagery processing leads to a more favourable evaluation of (positive) vivid messages (e.g., Keller & McGill, 1994), both positions predict that imagery-provoking appeals (e.g., narrative, concrete words, pictures) would be more positively evaluated under imagery mindsets; however, the former implies that the impact of an imagery mindset can vanish when consumers, independently of the primed mindset, adopt an imagery processing style. In this view, the dispositional effect should not impact the evaluation of appeals containing imagery instructions (e.g. “imagine yourself experiencing brand X”), which are likely to activate an imagery-processing style. The mindset-as-facilitation, on the other hand, implies that an imagery mindset can facilitate any mental task involving mental imagery, thus suggesting that the facilitating effect increases the evaluation of imagery provoking ads, independently of the presence of imagery instructions. Moreover, the two mindsets are expected to have different impact on the evaluation of analytical messages. The dispositional effect, by activating an imagery processing style, should decrease the evaluation of non imagery-provoking messages (Petrova & Cialdini, 2005), whereas the facilitating effect, entailing a mere, momentary enhancement of mental imagery ability, should not affect the processing of analytical messages.

We started a research program to test the nature of the imagery mindsets with a 2 (prime: imagery vs. analytical) \times 2 (evaluation task: imagery-provoking vs. analytical) between-subject experimental design. Seventy-five participants (48 females, average age 21.8years) were asked to evaluate three different products; two of which functioned as priming task and one as evaluation task. In the priming task, participants evaluated an apartment and a restaurant described either in an analytical (rating of different attributes) or an imagery-provoking (i.e., narrative with imagery instructions) format. In the evaluation task, participants were presented with a vacation destination described either in an analytical or in an imagery-provoking format followed by self-reported measures of behavioural intention ($\alpha = .92$) and attitude ($\alpha = .95$) toward the vacation, which represented our dependent variables. In the imagery-provoking evaluation task, participants also reported the amount of mental imagery experienced ($\alpha = .92$), its vividness ($\alpha = .91$), and the ease of imagination ($\alpha = .75$). All items were answered on 11-point scales.

Results¹ showed a significant main effect of evaluation task on behavioural intention ($F_{1,68} = 7.44, p = .001$) and a non-significant effect of prime ($F_{1,68} = .57, p = .452$) qualified by a significant interaction ($F_{1,68} = 10.04, p = .002$); the imagery-provoking ad evoked greater behavioural intention in the imagery- than in the analytical priming condition ($M_{\text{imagery priming}} = 8.75, M_{\text{analytical priming}} = 7.63$) whereas the opposite was true for the analytical version of the ad ($M_{\text{imagery priming}} = 6.00, M_{\text{analytical priming}} = 7.83$). Analogous effects were observed on attitude (main effect of task: $p = 0.02$, main effect of prime: $p = .60$, interaction effect: $p = .03$). Moreover, in the imagery priming condition, the imagery-provoking ad evoked more mental imagery ($M_{\text{imagery priming}} = 8.82, M_{\text{analytical priming}} = 8.03$) of greater vividness ($M_{\text{imagery priming}} = 6.94, M_{\text{analytical priming}} = 7.74$) than in the analytical priming condition; however, none of these effects were significant (p 's $> .27$)². Ease of imagination, on the other hand, was practically identical across conditions (p -value = .96).

¹ Three observations detected as outliers on both behavioral intention and attitude measures were eliminated.

² Being conducted on a subset of the total observations, this analysis had lower statistical power than the overall ANOVA; this, in turn, might explain the non-significant results.

These results provide preliminary support for the existence of both imagery mindsets. Since the imagery-provoking evaluation task included imagery instructions, such as “imagine yourself relaxing”, which are likely to activate and imagery processing style, the positive effect of the imagery priming on the imagery-provoking ad can be interpreted as evidence for a facilitating effect. On the other hand, the negative impact of imagery priming on the analytical version of the ad is congruent with the notion of mindset-as-disposition¹.

We believe that the present research provides two main contributions. Specifically, this is, to our knowledge, the first study to *i*) formally address the notion of imagery mindsets, along with its implications for consumer decision making, and to *ii*) provide a theoretical framework through which the broader concept of mindset can be investigated empirically.

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¹ We assume that there was no facilitator effect between the analytic priming and the analytic evaluation. This assumption is plausible since no particular skill was required to evaluate the analytical version of the ad.

**INDIVIDUAL DIFFERENCES IN RESPONSES TO BRAND STIMULI:
THE CASE OF SELF-MONITORING AND BRAND-EXTENDED SELF-CONSTRUAL**

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ABSTRACT

People use brands to satisfy various self-defining goals such as social approval or self-representation and to help establish one's self identity (Aaker 1997; Fournier 1998). Brands with distinct and desirable images then become a means of social approval, personal expression, or outer-directed self-esteem (Keller 1993) through which people communicate their identities to other constituents of their social world and learn about other people (Escalas and Bettman 2003) or satisfy their psychological need for association with others (Burnkrant and Cousineau 1975). Building upon these foundations, the current research explores how individual differences in self-monitoring and a new self-brand construct (brand extended self-construal) interact to influence responses to brand stimuli.

Self-monitoring—an individual difference variable representing the differential influence of situational and personal factors on behavior (Gangestad and Snyder 2000)—has a long history in social psychology. Low self-monitors are affected by dispositional factors while high self-monitors are affected by situational factors. In other words, low self-monitors use their own values to guide their behavior while high self-monitors look for external cues to guide theirs. Self-monitoring therefore is likely to influence a consumer's response to brand, but should be dependent upon whether or not brands represent something of a value to the consumer's self-concept.

Building upon recent research on self-brand connections (SBC; Escalas and Bettman 2005), we adopt brand-extend self-construal as the focal factor to interact with self-monitoring. Brand-extended self-construal (BESC) is defined as *a consumer's general propensity to include important brands in the self-concept*. The construct follows research by (Cross and Madson (1997) showing that people tend to include important others into their self-concepts. BESC is distinct from earlier treatments of SBC in that BESC concentrates on a generalized tendency of consumers to construe their self-concept in terms of their favorite brands (rather than focusing on a singular relationship with one brand). Based on the preceding review, we expect that low self-monitors (i.e., guided by their values) will be more likely to be influenced by a brand when brands play a greater (vs. lesser) role in the self-concept. We do not expect high self-monitors to respond in such a manner.

Two experiments were conducted to examine these interactive effects in the context of branded clothing (Study 1) and brand tattoos (Study 2). A series of initial studies were conducted to develop a reliable and valid measure of BESC. Following standard scaling procedures, the BESC scale development started with item generation based on a review of relevant branding and self-concept literatures. After an expert review and a series of iterative data collections, a final 8-item BESC scale emerged (e.g., "I consider my favorite brands to be part of myself"). Reliability of the scale meet conventional standards ($\alpha = .94$) and inter-temporal reliability (range: .62 to .78).

In Study 1 ($N = 91$), we examined consumer perceptions of an unknown person wearing the evaluator's favorite (or least favorite) brand. There was a significant brand main effect such that more favorable attitudes were held towards the person who wore a favorite ($M = 5.62$) vs. least favorite ($M = 4.60$) brand of clothing, $F(1, 83) = 23.15, p < .001$. This main effect was qualified by a significant 3-way interaction between brand, self-monitoring, and BESC, $F(1, 83) = 4.90, p = .03$. As expected, high BESC/low self-monitors had more favorable attitudes toward a person wearing their favorite brand ($M = 5.97$) than their least favorite brand ($M = 4.20$), $F(1, 83) = 12.71, p = .001$. Such effects were not obtained for either low BESC/low self-monitors, $F(1, 83) = 1.76, p = .18$ or high BESC/high self-monitors, $F(1, 83) = 2.16, p = .15$. However, low BESC/high self-monitors had more favorable attitudes toward a person wearing their favorite brand ($M = 5.71$) than their least favorite brand ($M = 4.07$), $F(1, 83) = 8.72, p = .004$.

In Study 2 ($N = 133$), we examined brand purchase intentions after exposure to an advertisement with (or without) a model having a brand logo tattoo. Tattoos, in the context of brands, are explicitly expressing personal (and relatively permanent) bonds linking themselves with a brand (Aggarwal 2004). Using this unique stimulus we extend the results of Study 1 and address an alternative explanation for the observed effects. BESC had a significant main effect, $F(1, 123) = 12.49, p = .001$; those higher in this trait had greater purchase intentions ($M = 5.43$) compared to those lower in this trait ($M = 4.51$). There was a significant three-way interaction between tattoo, self-monitoring, and BESC, $F(1, 123) = 7.05, p = .01$. Similar to Study 1, follow-up contrasts showed that high BESC/low self-monitors reported more favorable purchase intentions after viewing ads featuring a brand logo tattoo ($M = 5.65$) than after viewing ads not featuring a brand logo tattoo ($M = 4.71$), $F(1, 123) = 4.06, p = .046$. Such an effect was not observed for high BESC/high self-monitors, $F(1, 123) = 2.02, p = .16$, low BESC/low self-monitors, $F(1, 123) = .96, p = .33$, and low BESC/high self-monitors, $F(1, 123) = 1.96, p = .17$.

Together, our two experiments provide a consistent pattern of results across two very different contexts. Both studies support the idea that consumers' reactions to brand-based stimuli are strongest for those who include brands as a part of the self-concept and whose behavior is based on internal values. The results of this research posit an intriguing pattern of interactions between brand stimuli, brand-extended self-construal, and self-monitoring; suggesting that brand managers should focus on building SBC with consumers who act upon their own personal beliefs. In contrast, consumers who adjust behavior based upon situational factors might be more susceptible to brand switching and therefore not good targets for the type of persuasion tools discussed here. While additional research is necessary, it may be that when brands do not play a central role in a person's self-concept, those brands then act as social cues (which would be of greater importance to high self-monitors).

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AN INVESTIGATION INTO INDIVIDUALS' REPEATED ATTEMPTS AT BEHAVIOR CHANGE

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ABSTRACT

Recent research has shown that individuals make repeated attempts at behavior change prior to actually being successful. For example, typically individuals try to change their dieting behaviors on 4 to 5 occasions prior to actually being successful (Polivy and Herman 2002). Many of the dark side of consumer behavior areas identified by Mick (1996), such as smoking, drug use, shopping, and gambling, are behaviors that individuals try to change on a repeated basis. As consumer researchers, however, we do not have a clear understanding of how people interpret behavior change failures and persist in their efforts to change their behaviors after such failures.

In an effort to understand these behavior change attempts, this dissertation replicates and extends the Theory of Trying (Bagozzi and Warshaw 1990), to include feedback loops from the outcomes of behavior change attempts to attitudes towards trying to change again. The main objective of this research to address the question of how individuals interpret behavior change failure and persist post-failure. These feedback loops include several factors (i.e. attributions, self-esteem, and hope) to aid in understanding how an individual interprets behavior change outcomes and uses those interpretations as inputs into attitudes towards trying in the future.

Theoretical Model

The theoretical model is based on the model developed in the Theory of Trying (Bagozzi and Warshaw 1990). The theory of trying is employed in this context because it includes two variables that seem very relevant to repeated attempts at changing behaviors (i.e. the frequency and recency of prior attempts at changing behaviors). However, the model proposed by Bagozzi and Warshaw (1990) ends at trying to change behaviors. While the authors do suggest that the outcomes of these behavior change attempts feedback into attitudes, they do not explore the nature of the feedback. In order to explore the nature of the feedback from outcomes to attitudes, this paper employs three constructs – attributions for outcomes, self-esteem, and hope. Each of these factors will now be briefly discussed.

Attribution Theory

Weiner's (1974) theory of attributions posits that there are three dimensions to attributions – locus, stability, and controllability – that assist individuals in understanding the causes of their behaviors and behavioral outcomes. In the model, specific hypotheses, consistent with prior literature on attributions and the self-serving bias, have been developed that explicate how outcomes for success and failure are attributed along each dimension. These attributions also act as input to attitudes towards trying again and as such, hypotheses have been developed to examine several combinations of dimensions that will have the most impact on attitudes.

Self-Esteem

Self-esteem is defined as an individual's subjective appraisal of him or herself (Sedikides and Gregg 2003), which can be influenced by both goal achievement and goal failure (Crocker et al. 2003). As such, individuals in this study are expected to have lower levels of self-esteem post-failure rather than post-success at trying to change behaviors. Hypotheses were also developed and tested to capture the complexity of the interplay between self-esteem and attributions. Finally, an individual's self-esteem is also hypothesized to have a direct effect on that individual's attitudes towards trying to change in the future.

Hope

MacInnis and de Mello (2005) define hope as a positive emotion attached to a goal. There are three important dimensions to hope: goal congruency (i.e. the extent to which an environment is conducive to fulfilling a specific goal), certainty (i.e. the level of confidence an individual has in being able to achieve his or her goal), and importance of the goal. All three of these dimensions should be affected by the individual's success or failure at trying to change behaviors, such that failure at trying to change behaviors should lower an individual's level of hope. Hope is also hypothesized to affect the ways in which individuals understand and attribute the causes of their behavior change outcomes. Finally, individuals with high levels of hope should have a more positive outlook on the possibilities present in the future, which should enable them to have more positive attitudes towards changing in the future.

Proposed Methodology

An internet survey of 363 people who are currently trying to diet was completed. Modifying the procedure employed by Bagozzi and Warshaw (1990), data was collected in two stages, one month apart. Participants were asked to complete a series of measures in the first stage designed to capture their attitudes and intentions to try, the frequency and recency of prior attempts at trying to change behavior, and their current levels of self-esteem and hope. At stage two, one month later, individuals completed a second survey including measures of trying, the outcome of trying, and attitudes towards trying again in the future. Participants will also complete measures capturing their attributions for the outcome of their attempts at behavior change, as well as their updated levels of self-esteem and hope.

Discussion

Overall, this research will enlighten the discussion of how people repeatedly change their health behaviors. The theoretical model extends the Theory of Trying (Bagozzi and Warshaw 1990) by presenting a framework for understanding the various factors affected by the success or failure of a goal and how those factors then feedback into the attitude system. By incorporating concepts such as attributions, self-esteem, and hope into the feedback loops, we introduce several factors that are important in the interpretation of behavior change failure as well as the persistence towards the goal post-failure. There are important implications for both marketing and public policy as a result of this study. From a consumer behavior perspective, this model should shed some light on the effects of goal failure on an individual's attitudes and behaviors. From a public policy perspective, this study could suggest ways in which social marketing campaigns, policy recommendations, and health interventions should be designed.

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**THE RELATIONSHIP BETWEEN INCONSISTENT BRAND INFORMATION
EXPOSURE AND FUTURE PURCHASE INTENTION:
THE MODERATING ROLE OF BRAND IMPLICIT IMAGE**

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ABSTRACT

In this research, we developed a new scale to measure consumers' brand implicit image (BII) and used this scale to understand how individual differences in BII moderated the relationship between exposure to inconsistent brand information and purchase intention. More specifically, this research addressed what would happen when the newly introduced information regarding a company's brand image and attributes was inconsistent with individual's prior beliefs about the brand, and whether people's susceptibility to the inconsistent information depended on their brand implicit beliefs. In general, we hypothesized that incremental brand theorists (those who believe, in general, that brand attributes can change) would be more affected by changes in brand characteristics than entity brand theorists (those who believe that brand attributes, in general, are not malleable) since entity theorists would be vulnerable to the disconfirmation bias.

At the conceptual level, Dweck (1986) defined implicit theories as lay beliefs about the malleability of personal attributes that affect behavior. In the implicit theory literature, the majority of the articles focus on studying inter-group differences in social and organizational settings. In addition, there are a number of articles in the person perception literature that have highlighted how individual and situational variables shape how people are regarded and their actions are interpreted. These articles look at how social labels create expectancies or activate prior beliefs that, in turn, often lead people to assimilate their judgments to the label provided.

Similarly, the concept of implicit theories can be fitted in a branding context. Just as individual and situational variables shape social perceptions, the implicit image of a brand that consumers form in their mind can also be used to shape future brand perceptions, which in turn may impact consumers' future purchase decisions. For instance, consumers sometimes use stereotypic image of a brand to arrive at future purchase decisions. These stereotypic images are not changeable for some consumers (these would be incremental brand theorists), which in turn may lead these consumers to ignore new information that is inconsistent with their beliefs about the brand's image. In turn, this may lead these consumers to make irrational decisions because they are not adjusting to new information about the brand. For the purpose of this research, we define individual differences in BII as the extent to which consumers believe that brand attributes are fixed (entity brand theorists) versus changeable (incremental brand theorists). Consumers are posited to see fixed and changeable attributes as creating a framework that is then used for judgments about and reactions to a brand. In the context of BII, entity and incremental brand theorists refer to individuals who subscribe primarily to either an entity or an incremental implicit theory regarding brand images and attributes. We expect people to hold implicit theories that lie somewhere along a continuum between incremental and entity prototypes (Dweck, Chiu, and Hong 1995).

In Study 1, we developed a parsimonious yet representative scale of the BII by following procedures for scale development advocated by Churchill (1979). To generate the scale items, we drew on existing scale items used to measure individual differences in implicit person theory (IPT) developed by Levy, Stroessner, and Dweck (1998). In addition, we confirmed the convergent and discriminant validity of the BII construct. For one thing, the data supported the conceptualization of BII scale as a second construct that measures implicit theories that individuals hold for brands rather than people by showing that BII scale is related, but distinct from the traditional implicit person theory (IPT) scale. Also, the data supported the conceptualization of BII construct as empirically discriminable from such constructs as brand loyalty (Beatty and Kahle 1988) or preference for consistency (Cialdini, Trost, and Newsom 1995).

In Study 2a, we achieved three goals. First, we operationalized the concept of BII using a hypothetical scenario, which in turn helps us to understand how BII may be used in branding applications. Second, we demonstrated that BII moderated the relationship between exposure to inconsistent brand information and purchase intention such that incremental theorists incorporated inconsistent new information into their future purchase intention, whereas entity theorists did not. Third, we found that the BII scale was distinct from the more general IPT scale in that IPT did not moderate the impact of new brand information on future purchase intention as did the BII scale.

In Study 2b, we replicated and extended the findings of Study 2a by exploring a possible mediator of the key findings from that study, namely the disconfirmation bias. According to the disconfirmation bias theory, when people are committed to an alternative, they prefer supportive information compared with opposing information to reduce postdecisional conflicts (i.e., cognitive dissonance). Jonas, Schulz-Hardt, Frey, and Thelen (2001) claim that individuals performing sequential information search showed a significant bias by preferring articles that supported their previous decision compared with articles that contradicted this decision. Moreover, Edwards and Smith (1996) show that when people are faced with evidence contrary to their beliefs, they try to undermine the evidence, which means that there is a bias to disconfirm arguments incompatible with one's position. Considerable research has also focused on the consequences of the personal importance of an issue and shown that when exposed to mixed information, people with extreme attitudes are more likely to evaluate attitude-congruent information more positively than incongruent information.

In light of these prior findings, in Study 2b, we evaluated whether the disconfirmation bias mediated the interaction effect of BII and inconsistent brand information exposure on participants' purchase intention. Consistent with our expectations, results suggested that part of the reason entity theorists did not change their views of a brand based on new information was that they engage in a disconfirmation bias.

Overall, these studies highlight the unique role of brand implicit image theories in influencing how consumers evaluate brands based on newly presented information. Because our findings indicate that the more general IPT scale does not capture the same effect as BII does, future researchers should utilize the BII scale instead of IPT scale in branding contexts since BII scale measures a construct that is similar to, but separate from that of IPT.

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DEATH ON TV AFFECTS ADVERTISED PRODUCTS' APPEAL

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ABSTRACT

Television has become the premier pastime for the average American who watches it about 4.5 hour a day (Nielsen, 2005). Certain themes are ubiquitous and exposure to them is guaranteed for the average television watcher. One such theme is death (DeSpelder & Strickland, 2002). The effect of such death reminders on viewers' consumerism is the focus of this empirical investigation.

Terror Management Theory (TMT: e.g., Greenberg, Solomon, & Pyszczynski, 1997) addresses psychological processes that spring from reminders of the inevitability of one's own death. According to TMT unconscious thoughts of our own death introduce extreme anxiety that can paralyze us in its grip. It contends that 2 mechanisms have evolved to cope with this anxiety by creating an "anxiety buffer" that allows us to function: strive for enhanced self-esteem and cultural worldview defense. In the past 20 years a plethora of empirical evidence provided support for the basic tenets of TMT. Primed with thoughts of their own death (mortality salience- MS) people showed greater dislike for outgroup members (Greenberg et al., 1990) and even aggression towards those critical of their culture (McGregor et al., 1998). MS was also associated with increased materialism (Arndt et al., 2004; Christopher et al., 2006; Kasser & Kasser, 2001), increased desire for high status products (Mandel & Heine, 1999) and willingness to sacrifice common goods for personal benefit (Kasser & Sheldon, 2000).

The current paper investigates the affect of death in a television show on consumers' evaluations of advertised products. In 2 studies I explored the change in appeal of products when advertised in a show that contained death compared with a show that did not.

In Study 1, 107 participants were shown two clips (~10 minutes) from popular, Emmy winning, television dramas (*The West Wing* and *Six Feet Under*). The *West Wing* (WW) clip (control condition) was devoid of any reference to death while the *Six Feet Under* (SFU) Clip (experimental condition) began with a scene that features a death of an infant from Sudden Infant Death Syndrome (SIDS) followed by a few minutes in which death was not salient. Eight commercials for known products were obtained. The eight commercials were divided into two blocks, each containing 4 products, each of which with an equivalent product in the other block (e.g., one block featured BMW and the other Mercedes). Upon providing consent they watched WW clip with one of the 2 commercial blocks at the end. Following the clip participants completed the clip evaluations and PANAS. They were then asked to rate the products' appeal for each of the 4 products that were featured in commercials.

Upon completion of the first stage of the experiment participants were asked to view the SFU clip with the other (equivalent) commercial block (the blocks were counterbalanced between clips.) They then completed similar measures to the ones they did following WW (clip evaluations, PANAS, and products' ratings). Upon conclusion of the second stage participants completed the status evaluations and demographics.

The findings identified that the products, which were advertised in a show that contained death ($M = 71.29$, $SE = 1.57$) were more appealing ($t(106) = 4.23$, $p < .001$) than products advertised in a show that did not contain death ($M = 65.62$, $SE = 1.37$).

In Study 2, 120 participants were shown two clips from popular, Oscar winning, dramatic movies (*Forest Gump* and *The Deer Hunter*). The Deer Hunter (DH) Clip (experimental condition) began with a scene that featured a violent death (Christopher Walken shoots himself playing Russian roulette with Robert De-Niro) followed by the funeral and a few minutes in which death was less salient. Similarly to Study 1, a within participant design was used, exposing participants to both movie clips and commercial blocks followed by clip evaluations, PANAS, and products' ratings after each clip. In addition, the cognitive accessibility of death theme was measured by filling in missing letters for a set of 14 word fragments after each clip (2 sets total). Six of the 14 words could be completed by either neutral or death-related words. Two pairs of equivalent products (e.g., IBM and Apple computers) were featured in the commercial blocks that followed each clip. We counterbalanced the commercial blocks between the clips. Demographic data was collected at the end of the study.

The findings identified that the products, which were advertised in a show that contained death ($M=4.28$, $SE=.08$) were more appealing ($t(119) = 3.73$, $p < .001$) than products advertised in a show that did not contain death ($M = 3.92$, $SE = .07$). A repeated-measures ANOVA revealed an interaction between gender and type of show on products' appeal. The main effect for death on show was still significant ($F(1,118) = 7.22$, $p = .008$) but so was the interaction $F(1,118) = 6.45$, $p = .013$. Simple effects analyses revealed a significant increase in products' appeal following DH compared with FG for females ($t(80) = 4.50$, $p < .001$) but not for males, $t(38) < |1|$, *ns*. To evaluate which of the recorded differences predicted the change in products' appeal, I performed a regression analysis predicting the difference between products' ratings after watching FG and after watching DH. A regression analysis, which explained a significant amount of the variance in the difference in products' appeal ($F(5,109) = 2.61$, $p = .03$), revealed that changes in interest, positive affect, and negative affect did not significantly predict changes in products' appeal (p 's $> .25$). The difference between products' appeal after each clip was predicted only by difference in death-related word completion (death theme accessibility), $\beta = .23$, $p = .02$, and gender, $\beta = .21$, $p = .03$.

Summary

Across 2 studies, featuring different television shows and different consumer products, a show that contained a death scene elicited more positive evaluations of products advertised following the clip compared with a show that did not contain a death scene. Study 2 provided additional support for the notion that featuring death on television increases desirability of advertised products. The results showed that the concept of death was more accessible after watching a show that contained a death scene compared with a show that did not. The change in death theme accessibility was predictive of the increase in products' appeal.

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ALL IN THE FAMILY: THE EFFECT OF A PRODUCT PLATFORM'S PRESENCE ON CONSUMER PERCEPTIONS OF PRICE FAIRNESS

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ABSTRACT

This research investigates consumer judgments of price fairness when evaluating goods that belong to product families designed and manufactured via utilization of product platforms. Product platform sharing, where common products use the same design, engineering and production resources, provides a means of quickly and efficiently offering multiple products in the marketplace that have varying levels of distinctiveness which can be manipulated on the platform (Brylawski, 1999). The use of platforms enables manufacturers to minimize cost differentials between products by spreading research, development and production costs across several products that are distributed either on the same level or in tiers (Thevenot & Simpson, 2006). As a result manufacturers are provided the opportunity of garnering revenues for products at the higher end of the quality spectrum that may lead to price premiums or above-average profits (Rao & Bergen, 1992). Using archival data, Sullivan (1998) verified that these premiums/differential prices exist in the automobile marketplace, but the extant literature has not explored the how consumers evaluate these price differences between different goods that have been manufactured with the same underlying platform. This research particularly focuses on the construct of price fairness.

Consumers targeting products manufactured on a given platform are generally unaware of price premiums because of the inherent asymmetry of cost information (Rao & Bergen, 1992; Rao & Monroe, 1996; Tellis & Wernerfelt, 1987), but these consumers are increasingly able to understand the physical commonalities between products given the increasing availability of product information from third party sources (i.e. trade publications, product review publications, etc.). This research explores the notion that if consumers have even a basic knowledge about product commonality derived from a platform, they will take that information into account when comparing products and judging the fairness of prices for targeted products. Further, product platforms allow corporations to participate in the practice of rebadging or placing different brand names on the products built on the same platform (IntelliChoice, 2005). Under conditions of brand variance in products derived from a platform as a result of rebadging, this research also examines how a consumer's individual level of brand consciousness interacts with product commonality and targeted price tier level to predict an individual judgment of price fairness.

Method

Two "paper and pencil" studies have been conducted to test various models that can result from the presence of product platforms. While platforms are not exclusive to the automobile category, all experiments were framed with target products being automobiles because product platform manufacturing is prevalent in this industry. The experiments are described below.

Study 1 – Product Similarity and Target Price

Study one was designed to test the interactive effects of perceived product similarity and target price on judgments of price fairness. A main assumption in this experiment is that of brand invariance between products described to the subjects. This assumption could have been demonstrated in one of two methods. Both products could have been branded with the same label or neither of the products could carry a brand. In order to avoid any potential preexisting feelings that subjects may carry about a particular brand, it was decided to utilize the option where neither of the products described carried a brand tag.

A scenario based experiment was conducted incorporating a 2 (product similarity: high vs. low) x 2 (target price level: relative discount vs. relative premium) between subjects factorial design with the dependent variable being price fairness. The price fairness scale used by Haws and Bearden (2006) was incorporated in the experiment in order to measure the dependent variable in each condition. Results indicate that a significant interaction arose between similarity and target price level, $F(1, 131) = 10.639$, $p < .001$. Included in this interaction was a shift in judgments of price fairness for those subjects targeting premium goods where as similarity increased, judgments of fairness decreased ($t = 4.138$, $p < .001$). Those targeting discounted goods however did not have a shift in price fairness from low similarity to high similarity conditions ($t = -.563$, $p = .575$).

Study 2 – Product Similarity, Target Price and Brand Consciousness

The design of study two mirrored that of study one, but it added the complexity of branding the target products with different brands from an existing product family (mimicking the practice of rebadging). A 2 (product similarity: high vs. low) x 2 (target price level: relative discount vs. relative premium) between subjects factorial design was used in the experiment with a continuous covariate (brand consciousness) also being measured. The dependent variable again was price fairness. Several scales were used in study two and they are described below:

- Price fairness scale (Haws & Bearden, 2006)
- Attitude toward the brand (LaTour & Henthorne, 1994; LaTour & Rotfeld, 1997; LaTour, Snipes & Bliss, 1996) – This scale “measures a consumer’s overall evaluation of a specified brand/product” and was used as a control in this experiment as subjects may have inferred a judgment of relative price fairness given the brand assigned to the product they were asked to evaluate.
- Brand consciousness scale (Shim & Gehrt, 1996) – This scale is “intended to measure a shopping orientation that is characterized by the extent to which a consumer focuses on buying well-known brands.” It also takes into account some measure of if consumers are more/less likely to purchase expensive products.

After a regression was run, a marginally significant interaction occurred between brand consciousness and price condition as predictors of price fairness when there is brand variance ($t = -1.82$, $p = .071$). No interaction with product similarity was significant.

Brand attitude was initially measured to ensure subjects viewed the brands incorporated in the study as distinct. A post hoc analysis revealed that an individual’s attitude for the good that was targeted for purchase had some predictive power over price fairness judgments. Brand attitude was shown to significantly interact with brand consciousness ($t = -3.31$, $p = .001$) and marginally interact

with product similarity ($t = 1.93$, $p = .056$) when placed in a regression with price fairness being the dependant variable.

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THE APPLICATION OF EMOTIONAL INTELLIGENCE IN DECISION MAKING RELATED TO HEALTH

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ABSTRACT

Research on consumer behavior and emotion has not considered yet the possible role of the individual differences in the perception, understanding and regulation of emotions. However, in a decision making perspective, Pham et al. (2001) suggest that the reasoning related to emotions (i.e. feelings) toward the target is often a diagnostic pathway in judgment and decision making.

The study proposed examines the impact of training on emotional intelligence and health in the achievement of health related goals (i.e. reduction of calorie intake) for obese and overweight students ($18.5 < \text{BMI} < 25$). It relies on preliminary results that have shown that people with an unhealthy weight ($\text{BMI} > 25$) are characterized by a lower emotional intelligence score than people with normal weight (Peter and Brinberg 2007).

Emotional Intelligence and Decision Making Related to Health

One component of rational-based decision models is both the perceived and actual cognitive knowledge associated with the alternatives in the choice set (Brucks 1985). The current trend toward non-cognitive factors in decision making has not included an analogous measure of perceived and actual emotional knowledge. In fact, not many researches have looked at emotional abilities and their influence on decision making. On behalf of that *emotional intelligence* (EI) may represent a way to look at *patterns* related to the cognitive appraisals of emotion and their influence on decision making.

Emotional intelligence (Mayer and Salovey 1997) is composed of multiple components or branches: the ability to *perceive* emotions accurately; the ability to use emotions to *facilitate* or enhance cognitive processing; the ability to *understand* emotions; and the ability to *manage* or regulate emotions to produce a desired outcome.

Preliminary research (e.g. Tsaousis & Nikolaou 2005; Peter and Brinberg 2007) supports the use of emotional intelligence as determinant of decision quality related to health beyond traditional measures of actual and perceived knowledge (e.g. calories).

Emotional intelligence calls for the correct perception, facilitation, understanding and regulation of emotions compared to a perceived one. Results from the previous study suggest that people who have a healthy weight ($18.5 < \text{BMI} < 25$) are better able to understand and regulate their emotions than people who are obese or overweight ($\text{BMI} > 25$). Therefore, from an intervention perspective the introduction of educational materials related to the correct understanding and regulation of emotions might represent a way to increase the effectiveness of health intervention programs.

Method

A total of 49 subjects obese or overweight ($BMI \geq 25$) participated in a 6 weeks training program related to emotional intelligence and health and completed the classic measure of EI (MSCEIT 2002) and behavioral determinants identified by Fishbein et al (2001). The participants were randomly assigned to an intervention or active control group conducted by two different researchers.

The study was advertised as a 6 weeks opportunity to improve decision quality related to food and possibly lose weight.

In order to develop the content for the population-specific variables an open-ended elicitation with a sample from the population of interest was conducted. We also conducted a pretest to identify a set of knowledge questions (source: USDA 2006) that provide adequate differentiation among high and low knowledge respondents.

The subjects were monitored over 6 weeks in terms of their actual weight (3 weigh in sessions conducted by the research and three different research assistants) and calorie intake (24 hours diet recall at the beginning and at the end of the study).

Results and Analysis

One way ANOVA was used to test for the possible influence of the different conditions on the effort associated with the training sessions, EI (total and area prior to the training session) and actual knowledge prior to the training session. No significant differences were found.

GLM procedure was used in order to test for the intervention effects on performance (calorie intake and weight). Based on preliminary research, we controlled for the two areas related to EI (emotional experience and emotional reasoning), intention and barriers. For weight we also considered gender as a possible covariate.

The interaction considering calories is significant and in the expected direction for the group who got the intervention on EI ($F=7.86$, $p<.04$, $m_1=2243.743$ and $m_2=1358.733$).

Conclusion

Training on EI and health seems to activate mechanisms where people seem to better use their knowledge. The outcome is the successful adoption and maintenance of a health behavior (i.e. reduction of calorie intake for obese/overweight people).

The results of this study challenges the field to consider the importance of research related to “emotional abilities” in order to help consumers help themselves. It contributes to the “transformative consumer research” with the goal to make a positive difference in the lives of consumers.

References and details related to the training sessions available on request.

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SUPER SIZED MARKETING: HOW SNACK CONSUMPTION INCREASES RECALL AND LIKEABILITY MEASURES FOR IN-THEATER ADVERTISING MESSAGES

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ABSTRACT

This study resulted from an earlier project looking at the overall effectiveness of in-theater advertising messages, defined as both traditional commercials shown on the big screen as well as movie trailers, the sneak previews presented prior to the film. As I conducted this prior research I began to notice some interesting differences in recall and likeability measures for patrons that did not, at first glance, seem to be explained by any of the variables I was considering. Follow-up qualitative research pointed to one possibility that I had not initially considered, namely the role of snacking during the moviegoing experience. I began to wonder if such snacking could increase advertising effectiveness and I looked to the literature involving mood and emotions for insight into how and why the consumption of snacks might lead to such results.

To explore this topic a field experiment with a follow-up qualitative component was designed to measure differences between movie patrons who snack and those who don't snack. Due to differences in the type and number of traditional ads offered at the selected theater, the focus of this study was on film trailers. At this juncture I have recently completed data collection and have begun an initial analysis of this data, which points to some interesting findings, most notably that snack consumption does have a statistically significant impact on both recall and likeability. More detailed analysis of both the statistical and qualitative data collected is planned over the coming weeks, with this analysis including a review of the implications of this research for other advertising vehicles as well the implications for managerial decision making.

As I began to consider the role that snacking could have on the moviegoing experience I viewed the literature on affect as being most relevant. Liljander and Mattsson (2002) see affect as generally referring to moods and emotions, with these two concepts distinguished based on duration and degree of arousal. While there has been some debate about distinguishing between these concepts (Bagozzi et al, 1999), I follow Holbrook and Gardner (2000) definition, with mood referring to evolving general affect states and emotions referring to specific affective responses based upon certain experiences. Given these definitions I hypothesized that mood would be relatively stable while emotions would differ between those snacking and those not snacking, with these temporary emotional differences leading to increased attention, heightened awareness, and a more positive experience, leading to higher recall and likeability scores.

While most empirical studies of mood effects occur in laboratory settings, Liljander and Mattsson (2002) argue for the need to conduct field research. In this case a naturalistic setting is especially important, given the availability and selection of snacks, difficult to offer in a lab. In addition, the in-theater experience is unique, from the sound system to the size of the picture to the distraction-free environment. This project, therefore was designed as a field experiment in a central Pennsylvania movie theater. The study itself consisted of two questionnaires. One was administered prior to entering the theater and one was administered upon exiting the theater. The first questionnaire utilized the Affect Grid (Russell et al, 1989) to measure mood prior to the moviegoing experience and

which was meant to provide a baseline score for pre and post comparison. In addition, this score was to be used to compare mood for those who snacked and those who did not snack prior to the moviegoing experience to see if there were differences between these groups prior to entering the theatre. In addition to the Affect Grid, respondents were asked a set of demographic questions and two general movie questions that were not to be used in this study but were designed to mask the intent of the project. Upon completion of this initial questionnaire, respondents were also told that there was a second questionnaire to be completed upon exiting the theatre. Respondents were informed that this second questionnaire revolved around general questions about films so as not to bring added attention to pre-show programming

Upon exiting the theater respondents were presented with a second questionnaire. This questionnaire consisted of another version of the Affect Grid (Russell et al, 1989) as well as questions about snack consumption during the movie and the level of emotion they felt, measured on a five point scale, immediately prior to the start of the film.¹ To measure recall and likeability, respondents were asked to list those trailers they recalled from the pre-show program and to provide likeability scores, measured on a five point scale, for each. After completing this second questionnaire, a qualitative component was included, designed to probe for any differences between respondents.

A total of 267 respondents filled out the initial questionnaire, with 232 of these respondents filling out the second one as well. Of these 232 respondents, 223 correctly completed both questionnaires and were therefore part of the sample used for analysis. Looking at mood scores, the mean score for all respondents prior to the moviegoing experience was 6.1 for Pleasure and 5.8 for Arousal. Mean scores for the post test were 6.3 for Pleasure and 5.9 for Arousal. The results indicate no significant difference in Pleasure or Arousal when comparing pre and post scores. In addition, when looking at those respondents who snacked versus those who did not, a comparison of pre scores, a comparison of post scores, and a comparison of changes in scores pre and post were all also found to be insignificant. With respect to the emotion variable, those who snacked reported a mean score of 4.2 while those who did not snack reported a mean score of 3.7, a statistically significant difference.

Turning to recall, those respondents who indicated that they consumed snacks recalled on average 3.2 trailers, while those who did not consume snacks recalled 2.4, a statistically significant difference. When comparing likeability, the mean score for those consuming snacks was 3.9, compared to 3.1 for those not consuming snacks, also a statistically significant difference.

These initial results point to some interesting findings. First, there are differences in recall and likeability scores when comparing those who snack versus those who don't. And given the similarity in mood scores for both of these groups, with no difference in Pleasure and Arousal scores, yet a difference in self-reported emotion, there does seem to be an emotional response occurring during snack consumption. Even considering potential issues with the way emotion was measured, the fact that both

¹ The measurement of emotion was the most difficult and problematic part of this study. The expectation of similar scores on the Affect Grid pre and post was due to the belief that all moviegoers had similar general moods. It was their response while consuming snacks that would be different. In this respect, those individuals snacking would have a positive bump in their emotional state (what some might consider a bump in mood), with this bump temporary and both groups – snackers and non-snackers – back to similar mood levels by the time the film ended (and at which point most snacks were long-ago consumed). Since it was impossible to have respondents fill out an Affect Grid during the pre-show advertising program, and since asking respondents to fill two Affect Grids at the conclusion of the film (one for during the film and one for the current, post-film period) would be confusing, the decision was made to ask respondents about their emotional state immediately prior to the start of the movie during the post-film period. Implications of this decision will be discussed in more depth at the SCP Conference.

recall and likeability are different is valuable both with respect to in-theater marketing as well as to more traditional forms of advertising. Analysis of data will continue in an attempt to ascertain any additional differences or lack thereof, including demographic and qualitative issues, as well as what these results may mean with respect to other forms of advertising. In addition, managerial implications will also be considered. These additional results and more in-depth data will be provided at the SCP Conference.

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THE IMPACT OF TIME SHIFTING ON PRODUCT PLACEMENT

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ABSTRACT

Timeshifting of TV programming presents a challenge for mass advertisers seeking brand building options. Product placement offers an alternative as a paid inclusion of branded products or identifiers through audio-visual means within mass media programs (Karrh 1998). The evidence on brand association through product placement is mixed, with Karrh (1998) suggesting no change in brand outcomes and Russel (2004) and Reijmersdal, Neijens, and Smit (2007) arguing that positive brand outcomes can ensue. This may be due, in part, to broadly defined consumer target audiences with low category involvement. Interestingly, B2B products with narrowly-focused targets have emerged in mainstream entertainment (*Mitel* on *ER & Boston Legal*, *New Holland* in *Casino Royale*, *Cisco Systems* on *24*, *Dell* office equipment on *House*), the effects of which are unknown.

We explore product placement effectiveness on its intended senior level executive audience through a dramatic television series. In particular, we examine the effects on executives' perceptions of the brand's distinctiveness compared to its competitors and executives' intentions to choose or recommend the brand for corporate purchase. Few prior studies have showed an effect on behavior. Importantly, we evaluate recall and brand impact across those that *timeshift* (record and watch later), watch "live," and those that watch an online video clip. The results offer insights into product placement effectiveness in terms of setting, audience, storyline, and viewership.

Hypotheses

Given prior research on positive short-term memory effects, we expect that as time elapses from viewing to recall, accuracy will decrease (SOURCE).

H1: Recency will positively influence recall.

Individuals are apt to timeshift to times with minimal interruption, resulting in higher attention levels and less commercial clutter compared to those watching live TV.

H2: Timeshifting will positively influence recall.

Critical evaluations leading to counter-arguing and source derogation are reduced when the placement is seamless with the storyline (see Escales 2004). Seamless placements should lead to storing the brand within the storyline of the show. Given positive evaluation of the setting, positive brand evaluations and attributions should follow.

H3: Seamless placement will enhance (a) brand distinctiveness and (b) behavioral intentions.

Prior research demonstrates that brand familiarity and usage leads to more accurate brand recall and positive brand associations (e.g., Brennan and Babin 2004) and behavior (viz., Bennett and Harrell 1975).

H4a: Prior brand usage will increase brand (a) recall accuracy, (b) distinctiveness, and (c) behavioral intentions.

Method

In cooperation with a major product placement agency and its research division, data were collected from 100 executive-level respondents responsible for IT-buying decisions in the 36 hours following the showing of the Fox Network's popular "24" series. The sample (83% male; 60% 35-54) consisted of 37 CEO-level individuals, 42 IT/IS managers, and 21 scientific/technical/ professional personnel who regularly watched the drama.

The majority (54%) had seen the most recent episode and recalled the portion of the episode containing the product placement. The remainder (46%) viewed the relevant two-minute clip featuring the brand's video teleconferencing equipment. Subjects were then asked to indicate "to your best recall, which brand of communication system was used to conduct this interactive audio and video conference?" Choosing among eight randomly rotated competitive brands, nearly 75% correctly identified Cisco. Subjects were then asked to evaluate the seamless nature of the product placement within the story line using a multi-item scale. Behavioral intentions and brand distinctiveness were measured via multi-item scales. Brand usage was estimated by determining the cumulative number of products and services used by the firm within six major product/service categories.

Results

Subjects viewing the video clip online just prior to the recall test, were more likely ($X^2 = 4.32$, $p = .04$) to correctly recall the brand (85.4%) than those who viewed the episode at home (66.7%), thus H1 is supported.

Among these executives, 24% indicated timeshift only, 34% watch live-only, and 42% both timeshift and view episodes live. Correct brand recall was highest among those who timeshifted some (82.5%) or all of the time (82.4%). Among those watching live-only, 59.4% correctly identified the brand. The difference is significant ($X^2 = 6.03$, $p < .05$), supporting H2.

Seamless placement has a significant effect (Wilks' Lambda $F_{90, 2} = 19.12$, $p < .01$), driven by significant effects on brand distinctiveness ($F = 26.23$, $p < .01$) and behavioral intentions ($F = 34.82$, $p < .01$). H3a,b is supported.

As expected (H4a), brand usage is positively associated with recall ($X^2 = 4.42$, $p = .036$). Brand usage also has a significant influence (Wilks' Lambda $F_{90, 2} = 4.38$, $p < .02$), on behavior intentions ($F = 8.42$, $p < .01$), but not on brand distinctiveness ($F = 1.49$, $p = .23$). Hence, H4b is supported, but H4c is not.

We demonstrate that product placement woven into a popular TV storyline enhances recall for this narrowly-defined group of B2B buyers. Interestingly, the use of DVRs and other timeshifting devices (viz., internet) may increase the recall rates for product placement. Results for brand associations and behavioral intentions are mixed, suggesting research to further evaluate the potential implicit memory impact of product placement compared to traditional advertising means.

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THE EFFECTS OF IDENTITY RELEVANT BRANDS ON CONSUMER PREFERENCES

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ABSTRACT

Consumers are attracted to products and brands that are linked to their social identity (Forehand, Deshpande, and Reed 2002; Stayman and Deshpande 1989), such as gender, ethnicity, professional, and parent identities. Social identities can be activated by a variety of contextual and social stimuli such as the surrounding environment or the interaction with other people (Reed and Forehand, forthcoming). Social identities, however, can have little influence on our behavior unless the identity concept is activated or made salient by our surroundings (Reed, 2004). For example, if a Latino man is in a grocery store filled with Caucasian customers his ethnic (Latino) identity might be salient. Similarly, if the same Latino man was in a store filled with Latino women, his gender (male) identity might be more salient (McGuire et al, 1979). Research (Reed et al., forthcoming) suggests that the linkage of a brand to social identity may occur because the product or brand may symbolize customer personality traits (Aaker, 1997). Consumers' social identity also motivates them to select (avoid) products and services that reinforce the desired (undesired) social identity (Shavitt 1990; Katz 1960; Smith, Bruner and White 1956; Forehand, Perkins, and Reed, under review). For instance, when an identity is current and salient, consumers will try to reinforce their social identity by consuming identity relevant brands.

While social identity has been established as a significant driver in brand preferences, brands can also represent the values and beliefs of a culture (Hong, Morris, Chiu & Benet-Martinez, 2000; Briley, Morris, & Simonson, 2000; Aaker, Benet-Martinez, & Garolera, 2001) which can trigger that identity. The basic dimensions of brand personality carry some universal meaning but also meaning that is unique to specific cultures (Aaker, Benet-Martinez, & Garolera, 2001). For example, Aaker and colleagues found that while Americans and Japanese share brand personality dimensions *Sincerity*, *Excitement*, *Competence* and *Sophistication*, Americans have a distinct *Ruggedness* dimension and Japanese have a specific *Peacefulness* dimension. Therefore, different cultures have different views of the exact same brand or product category. Further, research has demonstrated that bicultural individuals have the ability to identity shift in response to ethnic stimuli (Hong, Morris, Chiu, and Benet-Martinez, 2000) which suggests that the perception of a brand may change based on which ethnic identity is salient. Following this line of reasoning, we predict that after exposure to an ethnic prime, consumers will demonstrate greater preferences for ethnic identity relevant brands compared to ethnic identity neutral brands (H1).

We propose that preferences for ethnic identity relevant brands may vary based on the type of brands. For example, we examine utilitarian and hedonic products as well as products that are consumed publicly or privately. First, research has shown that utilitarian and hedonic products carry an ethnically specific meaning which typically resides in the more abstract qualities of the brand. The brands provide primarily symbolic or value-expressive functions to the individual (Shavitt, 1990). This is in stark contrast to the utilitarian attributes that tend not to vary much across cultures (Aaker and Maheswaran, 1997). As such, we predict that after exposure to an ethnic prime, consumers will demonstrate greater preferences for ethnic identity relevant hedonic brands compared to ethnic identity

neutral hedonic brands (H2a). In contrast, we predict consumers will not demonstrate any change in preferences for ethnic identity relevant utilitarian brands compared to ethnic identity neutral utilitarian brands (H2b). We also examine whether preferences for ethnic identity relevant brands change based on whether the brand is publicly or privately consumed. Publicly used products are especially susceptible to be influenced by a consumer's reference group (Bearden and Etzel, 1982). For example, reference groups are not only used as standards of comparison for self appraisal but also as a source of personal norms, attitudes, and values (Kelley, 1947). Consumers have reported higher self brand connections for brands with images that are consistent with the image of an in-group compared to brands with images that are inconsistent with the image of an in-group (Escalas and Bettman, 2005). Therefore, we predict that after exposure to an ethnic prime, consumers will demonstrate greater preferences for ethnic identity relevant publicly consumed brands compared to ethnic identity neutral publicly consumed brands. However, we predict consumers will not demonstrate any change in preferences for identity relevant privately consumed brands compared to identity neutral privately consumed brands (H3).

A pretest is currently underway to establish ethnic brand perceptions from three distinct ethnicities, Caucasian American, Asian American and Latino American. Participants are viewing well-known consumer products in categories that serve both symbolic and utilitarian functions. In order to discover the brands that are ethnic specific, we are following a three-step process similar to the process used in Aaker's (1997) original brand personality study. First, participants perform a free response about attributes that come to mind for a specific brand. Second, we add additional attributes from other sources like the Big 5 personality scale and other scales. Finally, participants rate the extent to which the attributes represent the brand.

We will test our hypotheses with the three following studies. For study 1, we propose a 2 (ethnic identity vs. neutral identity) x 2 (ethnically similar brand vs. neutral brand) between subject design. Participants will have their ethnic identity primed (or not primed) and will view a brand advertisement that is either ethnically relevant or not ethnically relevant. For study 2, we propose a 2 (ethnic identity vs. neutral identity) x 2 (ethnically similar brand vs. neutral brand) x 2 (utilitarian product vs. hedonic product) between subject design. Participants will view a brand advertisement and read a paragraph that describes the brand highlighting its utilitarian or hedonic attributes. Finally, in study 3, we propose a 2 (ethnic identity vs. neutral identity) x 2 (ethnically similar brand vs. neutral brand) x 2 (public use vs. private use) between subject design. Participants will view a brand advertisement and read a paragraph that describes whether or not the product is publicly or privately used. For all the studies we will measure brand attitudes and willingness to buy.

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SHADES OF GREEN: ARE BRAND'S ENVIRONMENTAL ACTIONS GOOD FOR SOCIETY?

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ABSTRACT

Promoting corporate social responsibility (CSR) such as environmentalism can be good for a firm's profits and its image (Luo and Bhattacharya 2006). By definition, however, CSR is not only about protecting the welfare of the company, but also about protecting welfare of society (Robin and Reindenbach 1987). While research has shown that promoting socially responsible actions such as environmentalism can be good for a firm's bottom-line and its public image (Sen and Bhattacharya 2001), it is unclear what impact CSR has on consumers' desire to behave in a similarly socially responsible manner in their own personal lives. In two studies, we explore this untapped area of research and provide initial insights into brand influence on consumers' socially responsible behaviors (energy conservation). By integrating research in social influence and brand meaning, we advance the notion that a brand can act as a legitimate source of social influence. In this view, brands serve as a reference point for consumers who can match or mismatch their own attitudes and behaviors with those of the brand.

In Study 1 ($N = 125$), we tested our basic premise of a brand as an influence agent. Drawing on experimental work in social psychology, participants were asked to evaluate their attitudes towards conserving energy after being exposed to information about brand's (experimental group) or businesses' (control) support of environmental actions or to an unrelated information (control). Further, following research in CSR that suggests that consumers evaluate socially responsible actions more positively when they are professed with public-serving motive, perceived as credible (Becker-Olsen et al. 2006), and endorsed by firms that are positively evaluated (Bergami and Bagozzi 2000), we selected a brand (Starbucks) and experimental stimulus (newspaper article) that meet these criteria. Prior environmental concerns (PEC) served as a moderating factor in the analysis and were measured by a validated scale (Schultz and Zelezny 1999). As such, we expected that participants, in the experimental condition, with low PEC would match their attitudes with those of a brand whereas high PEC would not change their attitudes. Thus, participants were randomly assigned to conditions in a 3 (Influence Agent: Brand vs. Business vs. Baseline) x 2 (PEC: High vs. Low) between-participants design. Two-way ANOVA using attitudes towards conserving energy as the dependent variable showed that, as one would expect, the main effect of PEC was significant ($F_{(1,124)} = 11.862; p = .001$), suggesting that high PEC reported higher attitudes towards conserving energy than low PEC ($M_{HIGH} = 6.97$ vs. $M_{LOW} = 6.37; F_{(1,123)} = 12.862, p < .001$). Importantly, we find a main effect of *influence agent* ($F_{(1,123)} = 8.038, p = .001$). Contrary to our prediction, however, participants, regardless of their PEC, counter-conformed to brand influence by shifting their attitudes away from those of a brand ($M_{BRAND} = 6.21$ vs. $M_{BUSINESS} = 6.90; F_{(1,78)} = 9.635, p = .003$). The two-way interaction was not significant ($p = .919$) and there was no difference between the control conditions ($M_{BUSINESS} = 6.90$ vs. $M_{BASELINE} = 6.95; p = 1.000$).

In Study 2 ($N = 123$), building on prior research on persuasion knowledge and consumer skepticism in CSR context, we explored whether or not counter-conformity observed in Study 1 can be

offset by stating both public- and firm-serving motives (e.g., Forehand and Grier 2003). Following the same procedures as in Study 1 but modifying the article for firm-serving motive (e.g., to help environment while attracting new customers), participants were randomly assigned to conditions in a 2 (Influence agent: Brand x Businesses) x 2 (PEC: High x Low) x 2 (Stated motive: Public-serving x Public-serving with firm-serving motive) between-participants design. Three-way ANOVA using attitudes towards conserving energy as the dependent variable showed the main effect of PEC ($F_{(1,122)} = 11.574; p = .001$). The main effects of *influence agent* ($p = .070$), and *stated motive* ($p > .507$) were not significant. Two-way interactions between *influence agent* and *stated motive* was significant ($F_{(1,122)} = 6.596; p = .012$) whereas interactions between *influence agent* and PEC and PEC and *stated motive* were marginally significant with p -values of .058 and .062 respectively. As anticipated, there was a significant three-way interaction ($F_{(1,122)} = 5.092; p = .026$). To ease interpretation, we examined the interaction between *influence agent* and PEC across the two *stated motive* conditions. Consistent with Study 1, we again observed participants' counter-conformity to brand influence in public-serving motive condition. However, when the brand acknowledged both motives, we find that low PEC participants conformed brand influence ($M_{\text{BRAND}} = 7.02$ vs. $M_{\text{BUSINESS}} = 5.99; F_{(1,31)} = 8.628, p = .006$). Albeit only marginally significant difference, high PEC participants again demonstrated counter-conformity by shifting their attitudes away from the brand ($p = .077$). Consistent with Forehand and Grier's (2003) findings, our analysis of participants' responses to an open-ended question about firm's motives (included as a part of manipulation checks) revealed that high PEC listed both public- and firm-serving motive thoughts in both motive conditions whereas low PEC did so in public-serving only condition - providing some evidence for skepticism as a possible trigger for negative evaluations of firm's actions (that may have induced observed counter-conformity).

The results of our two studies show that brand can indeed act as a social influence agent and leave both positive and negative "social footprint" when it becomes more socially responsible. As such, we provide only initial steps towards understanding this compelling and untapped area of consumer research. Despite the limitations of our studies (e.g., single brand), our findings suggest that brand managers may want to acknowledge brand's self-serving motives to inhibit skepticism about its actions. If so, the brand is much more likely to encourage socially desirable changes among consumers. However, future research has much to accomplish and further explore not only the underlying mechanisms of brand influence but also its various intriguing antecedents and consequences.

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SCARCITY ABROAD AND RISKY DECISIONS AT HOME: THE EFFECTS OF INCIDENTAL ECONOMIC CONDITIONS

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ABSTRACT

Research in social cognition suggests that perception may occur implicitly, such that direct attention need not be deliberately given to a stimuli in order to drive goal directed behavior (Bargh, Lee-Chai, Barndollar, Gollwitzer, & Trotschel, 2001). Though evidence suggests that people are capable of implicit person perception and behavior (Chartrand, Dalton, & Fitzsimons, forthcoming; Hansen & Hansen, 1988), understanding further priming effects, particularly with regard to economically consequential decision making, remains fertile ground for future research (Bargh 2002).

The current study seeks to consider the ways in which ambient scarcity levels may influence consumers' risk aversion. For example, a broker may read a newspaper article about the pending shortage of oil in the coming years. Consequently, this information may lead him to differential assessments of unrelated risky decisions; that is, she may be either more or less risk averse. Specifically, an ambient sense of scarcity may increase risk aversion in the event that the prime activates a desire to repair the threat created by the scarcity, by triggering an all-or-nothing attitude (Landau & Greenberg 2006). At the same time, scarcity may prompt consumers to be less risk-averse, as a resource maintenance or hoarding mechanism is stimulated. That is, scarcity could result in risk avoidant decisions in order to minimize further loss (Kahneman & Tversky 1979). Given that in some circumstances, risk-seeking may be more optimal than in others, understanding how ambient scarcity influences consumer decision making may have substantial consequences for investment decisions, impulse purchasing, and response to innovative products.

Here we report one study that demonstrates the effect that incidental scarcity has on risk perception and risky decisions. In our first study, participants were exposed either to a scarcity-related article (a description of food shortages in Africa) or a non-scarcity related article (a description of African agricultural history.) Articles were pretested to be equivalent in difficulty and level of interest generated in the reader. After reading and evaluating this article, participants selected one gamble from each of a series of paired gambles taken from Kahneman and Tversky's (1979) work on loss aversion. In this set of gambles, the first option in each pair represented the risk-seeking and the second option represented the risk-averse alternative. Participants then rated their overall mood on a number of measures, which included the extent to which they felt bad, grouchy, gloomy, and sad. An average of all choices was then created, such that higher numbers represented a higher overall level of risk aversion.

Results indicate that exposure to the scarcity prime significantly increased risk-averse behavior, relative to exposure to the non-scarcity related material ($M_{\text{noprime}} = 1.49$, $M_{\text{scarcity}} = 1.67$; $F(1,54) = 8.24$, $p < .01$). An index of negative affect was also created by summing responses to the bad, grouchy, gloomy, and sad questions. Further analysis demonstrates that the negative affective response to the scarcity prime partially, but not fully, mediates the effect of the prime on risk aversion.

We propose two further studies which will seek the boundary conditions and moderators for this main effect. First, we will explore the role of cognitive load in moderating the scarcity-risk aversion relationship. Preliminary evidence suggests that although study 1 findings hold under conditions of relatively low cognitive load, the pattern reverses when consumers face more demand on their intellectual resources. That is, consumers may exhibit more risk seeking rather than risk aversion behavior. In this study, we will use a traditional cognitive load manipulation prior to exposure to the prime. We will also seek further evidence regarding the role of negative affect in this study; it may be that the additional cognitive load magnifies the negative arousal created by the scarcity prime and thus, prompts a mood repair rather than maintenance mechanism. A third subsequent study is also planned to explore the role of the scarcity prime's self-relevance, in order to see if effects are greater, or are in fact, filtered out more consciously when the priming stimulus is "closer to home," either psychologically or geographically. We hypothesize that highly-relevant scarcity primes may have less, rather than greater, impacts on risk-seeking behaviors, as they generate greater defensive processing. Implications for risky decision making and automatic information processing will be discussed.

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WHAT SHOULD A BRAND SOUND LIKE?

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ABSTRACT

Brands are an important part of products and services in today's market. They do not just differentiate a company's goods from those of its' competitors; they are a way of communication with consumers. Companies use their brands to compete with each other to obtain a bigger portion of people's hearts and minds to be preferred and remembered. Brands use elements like logos and symbols (Nike's swoosh), characters (KFC's colonel Sanders), packaging (Coke's curve-shape bottle), slogans (BMW's "Ultimate Driving Machine") and sounds (Intel's chimes) to facilitate their interaction with consumer. So far, little academic research attention has been devoted to the topic of designing and selecting brand elements other than brand names (Keller and Lehmann 2006).

Recently, sounds have been frequently used as a new brand element in commercials. These sounds, which are usually short music tracks without any verbal term, are called auditory brand identifiers (Tavassoli and Lee 2003) or sonic brands (Jackson 2003). Intel's chimes and McDonald's 'I'm lovin it' theme, usually heard at the end of commercials, are two examples of auditory brands. While there are few companies using auditory brands, the number is increasing every day. Even though companies spend considerable sums to establish their brands' elements (Keller and Lehmann 2006), few studies have explored the effectiveness of auditory brands (Tavassoli and Han 2002; Tavassoli and Lee 2003).

Theoretical Background

Brands have both rational and emotional elements. Rational elements are more focused on brand memorability. On the other hand, emotional elements of a brand appear to improve buying and consumption processes (Hirshman and Holbrook 1982). By improving both rational and emotional elements, "a strong brand provides consumers with multiple access points to the brand while reducing competitive vulnerability." (Keller 2008) In this study, I focus on the factors which help emotional aspect of a brand to be more effective.

As it was mentioned, the major component of an auditory brand is music, which is a powerful tool to improve emotional aspect of a brand. Cook (1959) mentioned that music is not appropriate to express ideas or abstract concepts but is to express emotion. Consequently, an auditory brand is a powerful asset for building emotional relations with consumers. Besides, based on affect-as-information theory (Bosmans and Baumgartner 2005), consumers may use these emotions to evaluate the brand's product. So, in this paper, I argue that emotional relation between auditory brand and product attribute is able to enhance consumers' evaluations of the brand and its product. Basically, the main hypothesis of this study is:

An auditory brand with positive emotional states related to product attributes, improves consumer's evaluations of the brand and its product.

This argument can be explained based on network models of long-term memory (Anderson 1985; Anderson 1984; Anderson and Bower 1973). These models assume that concepts are represented in memory according to their association to one another. Strength of association is indicated by the

probability that concepts activate one another during mental processes. For example, when the concept “ice” is activated in working memory, its strong association with the concept “cold” may activate this concept as well. In this case, the brand and its related product are two highly associated concepts. So, activation of the brand will result in activation of the product in most of the times. Consequently, the strong association between these two concepts increases the likelihood of using affect-as-information heuristic by consumers.

Method

First step of this study is a pretest, in which subjects will rate different emotional states of a group of sounds. Then, based on ratings, two sounds for each emotional state will be selected. Out of the two sounds, one is the most related with the emotional state and the other is the least related. Also, for each emotional state, subjects will choose one product so that the product’s attribute is most related with emotional state. The product that is selected more for an emotional state will be considered as the product associated with the emotional state. Associated product and related or unrelated auditory brand for an emotional state will be grouped together as a brand-product set. The sounds used in this research as auditory brands are short music tracks with a duration of 10 seconds and without any verbal phrase.

In second step, a 2 cell (related vs. unrelated auditory brand) between subjects experimental design will be used. Researcher will inform subjects about what auditory brands are and explain the study as an auditory brand evaluation study. Then, researcher will ask subjects to rate the auditory brand that is created for each brand-product set. Also, they need to answer what they think about the product attributes and how likely they will buy the product at a specific price.

The primary goal of this study is to show that an auditory brand with positive emotional states related to product attributes enhance the brand and its product evaluations. This study attempts to extend the research on sounds and music in branding by testing the role of music in brand and product evaluation. Auditory brands are not explored enough in literature and there is a gap about the features, which make an auditory brand more effective (Tavassoli and Han 2002).

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WHEN BRANDS GO WRONG: THE IMPACT OF PERCEPTIONS OF PROCEDURAL AND OUTCOME FAIRNESS ON BRAND ATTITUDES

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ABSTRACT

Marketers often assume that activities beneficial to consumers, e.g., discontinuing late fees on movie rentals, or changing from an unfavorable “store credit” return policy to a favorable “cash back” policy, lead to positive evaluations of the firm. We demonstrate that such favorable marketing activities may not always lead to positive evaluations of the firm and suggest that if consumers perceive that a marketing action is procedurally unfair they may evaluate a firm less favorably even when the outcome is beneficial to them.

Existing literature on perceived fairness has dealt mainly with outcomes that are not beneficial to consumers such as price increases (Bolton and Alba 2006; Bolton, Warlop, and Alba 2003; Campbell 1999, 2007; Vaidyanathan and Aggarwal 2003; Xia, Monroe, and Cox 2004). Favorable outcomes have received limited attention. In contrast, the organizational justice literature distinguishes between outcome and procedural fairness (Kumar, Scheer, and Steenkamp 1995). Outcome fairness refers to the equity of outcomes (Kumar et al. 1995) and has been empirically shown to be closely related to outcome valence - favorable outcomes are perceived to be fair (Brockner and Wiesenfeld 1996). Procedural fairness refers to the fairness of the process by which the outcome is obtained.

Procedural fairness is important since it can negatively impact brand evaluations as consumers may not be assured of obtaining favorable outcomes from the brand or firm in the long-term, even if they perceive fair outcomes in the short term (Brockner and Wiesenfeld 1996).

In the marketing domain, procedural fairness has been studied in the context of unfavorable outcomes. For example, consumers believe that firms are entitled to increase prices for cost increases but not for shortages (Kahneman, Knetsch, and Thaler 1986). They perceive a price increase as less fair if carried out for internal rather than environmental reasons (Vaidyanathan and Aggarwal 2003), for negative motives (own profit) rather than positive motives (donation to charity) (Campbell 1999) and if communicated through human rather than non-human sources (Campbell 2007).

We build on this research by providing a novel examination of favorable outcomes with perceived procedural unfairness. We draw on the justice literature to hypothesize that procedural unfairness has a negative impact on consumers’ evaluation of the brand/firm even when the outcome is beneficial to them, and test this hypothesis across two studies.

Study 1 was a one-factor, two-level (procedural fairness: fair/unfair) between-subjects study. Participants read a vignette about two fictitious movie rental firms and completed a multiple-item pre-evaluation index ($\alpha = .93$). They then read about the favorable marketing activity: Firm A had recently withdrawn its late fees policy (pre-tested as a positively perceived outcome). Procedural fairness was manipulated across conditions by highlighting the process: in the unfair (fair) condition, participants

learnt that the competitor, Firm B, had recently dropped its late fees (retained its late fees). After reading this scenario, participants again evaluated the firms ($\alpha = .96$) and rated the perceived fairness of the marketing activity (1 = not at all fair, 7 = extremely fair). We expected that the evaluations of Firm A would be impacted by the perceived procedural fairness or unfairness of the process by which Firm A arrived at the favorable outcome.

Results indicate a significant interaction ($p < .05$) between firm evaluation (pre vs. post policy change) and procedural fairness (fair vs. unfair). In the procedurally fair condition the firm was evaluated more positively ($M_{pre} = 5.02$, $M_{post} = 5.85$, $p < 0.05$) after the marketing action, but not in the procedurally unfair condition ($M_{pre} = 4.62$, $M_{post} = 4.95$, $p > 0.1$). Moreover, fairness ratings were higher in the procedurally fair compared to the procedurally unfair condition ($M_{fair} = 6.65$ vs. $M_{unfair} = 5.88$, $p < .05$) suggesting that participants were sensitive to the manipulation of procedural fairness.

Salience of procedural fairness has an impact on evaluations (Brockner and Wiesenfeld 1996). In a second study, we examined the impact of the salience of fairness perceptions on brand evaluations. Salience of fairness was manipulated by the order in which participants were asked to evaluate fairness after reading the scenario: before or after evaluating the firm. Evaluating the firm after rating fairness should increase the salience of procedural fairness when making the firm evaluation. Thus, study 2 was a 2 (procedural fairness: fair vs. unfair) X 2 (salience of procedural fairness: salient vs. non-salient) between-subjects design, using the same scenario and procedural fairness manipulations as in Study 1

Results of Study 2 indicate a three-way interaction between firm evaluation (pre/post), salience of fairness, and procedural fairness. Specifically, in the procedurally fair condition, Firm A evaluations were enhanced in both the fairness salient condition ($M_{pre} = 4.49$, $M_{post} = 5.72$, $p < 0.05$) and the fairness non-salient condition ($M_{pre} = 4.38$ vs. $M_{post} = 5.43$, $p < 0.05$). In the procedurally unfair condition, however, evaluations of the firm were diluted ($M_{pre} = 4.75$ vs. $M_{post} = 4.01$, $p < .05$) in the fairness salient condition but were enhanced in the fairness-non-salient condition ($M_{pre} = 4.13$ vs. $M_{post} = 4.88$, $p < .05$). Further, across the procedurally unfair condition, fairness ratings were higher in the fairness-salient than in the fairness non-salient condition ($M_{fairness-salient} = 5.70$, $M_{fairness-non-salient} = 3.56$, $p < .05$). Our findings suggest that consumers' mixed response to the favorable outcome, unfair procedure led them to evaluate the activity favorably and evaluate the firm negatively, or rate the activity unfavorably and evaluate the firm positively.

In a third study, to be completed prior to the conference, we will explicitly measure consumer perceptions of procedural fairness using established measures such as participants' rating of how fairly they are treated during, and their satisfaction with, the process (Brocker & Wiesenfeld 1996). We will also measure outcome fairness to verify whether, even in the face of outcome fairness, procedural fairness will drive consumer perceptions of the fairness of marketing activities.

Our work contributes to the research on fairness by suggesting that procedural unfairness may mitigate the positive effects of outcome favorability. Adding the construct of procedural fairness also has implications for practice as marketers spend millions on favorable activities only to see their effect negated by perceived procedural unfairness.

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THE EFFECT OF SYNCHRONIZING CONSUMERS' DIURNAL PREFERENCES WITH RESPONSE TIME ON DATA RELIABILITY

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ABSTRACT

Circadian orientation – the tendency for morning for evening activity peaks - affects arousal levels (Thayer 1978), which are an antecedent to attention and resource availability (Mathews and Davies 2001), and consequently information processing capacity. Indeed, testing at optimal time of circadian arousal has been found to enhance performance of a variety of cognitive tasks (e.g., Bodenhausen 1990, May et al. 1993, Yoon 1997). Similar findings were found in education, where problem-solving, test-taking, and classroom behavior were found to fluctuate with time-of-day (TOD) (Andershed 2005, Goldstein et al. 2007, McElroy and Mosteller 2006).

Since different individuals display optimal functioning at different TODs, one can expect that each individual's responses to similar stimuli would vary between different times (e.g., Hornik 1988). These effects of TOD on responding should lead to higher stability of response when research is synchronized with consumers' diurnal preferences (Ottenbacher 1995). Further, since measurement at non-peak times might include random variance due to reduced cognitive capacity as well as more systematic TOD effects, stability of peak-peak measures should be highest.

General Methods

All participants completed the Morningness-Eveningness Questionnaire (MEQ) (Horne and Ostberg 1976). The MEQ is an established evaluative instrument commonly used to assess individuals' peak TOD. Participants were classified as morning, evening, or intermediate types according to accepted standards (Tankova et al. 1994).

Participants filled out questionnaires on two different occasions, providing test and retest measures several weeks apart. The first session took place at a time matching participants' optimal TOD. For the retest session half the participants were randomly assigned to be tested during their peak time, and half were tested during their non-peak time.

Study 1

The potential problems in psychographic scales' reliability have been pointed out by Wells (1975). Tigert (1969), Bruno and Pessemier (1972), and Villani and Lehmann (1975) have all observed low test-retest reliability coefficients for commonly used psychographic scales. For the current study we used a commonly employed 26 items, forced-choice psychographic scale (e.g. Blair et al. 2001, Dutt-Bergman 2004).

Methods

The study employed a 3 (diurnal type) \times 2 (test TOD: 09:00am, 06:30pm), \times 2 (retest TOD: 09:00am, 06:30pm) between subjects design. The final sample contained 166 responses.

Results

Both Pearson- r and Intra-class correlations (ICC) were computed. Pearson- r is a measure of correlation, but correlation does not imply stability. Several authors have advocated the use of ICC (Shrout and Fleiss 1979) as a better measure of reliability (Ottenbacher 1995, Streiner and Norman 1985).

Total scores for the full scale ranged from .593-.887 for the ICC and from .611-.893 for Pearson r . However, notable significant differences could be observed when participants were tested at their preferred TOD. For example, M_t participants who completed the survey during the morning obtained significantly higher stability scores than M_t who completed the survey during the evening: ICC = .874 versus .593, $p < .001$; Pearson $r = .881$ vs. .611, $p < .001$. Similar trends were found for E_t .

Both ICC and r showed stable results for I_t participants regardless of TOD. Notably, their score was similar to the reliability score found in most life-style stability studies. Finally, the above trends held for the five individual subscales of the psychographic instrument.

Discussion

Participants exhibited higher test-retest reliability when retested at their preferred TOD as compared to non-preferred TOD. I_t participants exhibited relatively high test-retest scores regardless of their testing time, with a marginal increase in reliability in evening compared to the morning sessions.

The data supports our predictions that individuals' circadian rhythm strongly influences test results. Specifically, test and retest scores tended to be higher and show higher stability when obtained during participants' preferred TOD, compared to non-optimal TOD.

It is well established that the amount of time allowed between measures also exerts a critical influence on scales' reliability scores (e.g., McKelvie 1992). Generally, the shorter the time gap, the higher the expected correlation between measures. Our second study varied the time gap between test and retest while using a different scale.

Study 2

The scale used in this study was a Temporal-Orientation Scale (Brown and Segal 1996, Plocher et al. 2002) commonly employed in consumer time research. The scale shown reflects peoples' projection toward the past and the future.

Methods

The study employed a similar methodology to that in Study 1. However, the study included an additional factor: elapsed time between the two tests at two levels (Elapsed time: two weeks, nine weeks). 247 participants completed the questionnaires.

Results

As expected, both ICC and Pearson r scores were significantly higher when data were obtained during participants' preferred TOD regardless of time elapsed between the two test periods. Second, all correlation coefficients were much lower when retests were administered after nine weeks, as compared to two weeks. Third, overall results for evening administered tests showed higher reliability than that obtained for morning administered surveys.

Separate analyses of variances were performed for circadian types by TOD and times between tests. The ANOVA showed a significant main effect of diurnal preferences $F(1, 164) = 6.37, p = .011, r = .22$. More importantly, however, the three way interactions between circadian type \times peak time \times time of tests were also significant $F(2, 81) = 6.92, p = .017, r = .21$ and $F(2, 81) = 6.37, p = .019, r = .2$, respectively. Overall, the results confirm the findings from first study and our predictions of higher test-retest reliability scores if tests are synchronized with participants preferred TOD. Reliability was marginally lower when obtained following a much delayed time period.

Discussion

As expected, participants performed in a more stable manner during their peak circadian arousal time as opposed to non-peak times, as evidenced by higher reliability scores. The differences in reliability scores persist when the periods between tests and retests are different.

General Discussion

Two studies employing different scales and time-frames demonstrate the impact of TOD on test-retest reliability scores. Both the lifestyle scale used in study 1 and the time-orientation scale used in study 2 demonstrated significantly enhanced reliability for retest measures taken at times matching individuals' TOD orientations.

The effects of TOD on cognitive responding could well extend beyond response stability. When consumers are required to record their judgment or engage in more complex cognitive tasks, it might be advisable to examine or control for their chronotype and for the time in which the study was conducted.

Importantly, distortions in reliability due to TOD effects indicate a potential flaw in the *validity*, as well as the reliability, of measures. If a measure obtains different results at different TODs either due to increased random-variance resulting from reduced cognitive capacity or due to TOD-contingent responding, that implies the measure cannot be taken as a "true" measure of a construct.

TOD effects might extend to practical as well as academic research. For instance, companies conducting focus groups might want to take consumers' circadian orientations into account when scheduling studies. Further, measures of consumer reactions to ads or products should be undertaken at TODs that mirror those in which consumers are likely to encounter these marketing stimuli in daily life. Finally, TOD might also influence behaviors such as information seeking, impulse shopping, and deviation from routine-purchase.

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CURIOUS AND SKEPTICAL: CONSUMERS' ELABORATION OF REALLY-NEW-PRODUCT MESSAGES

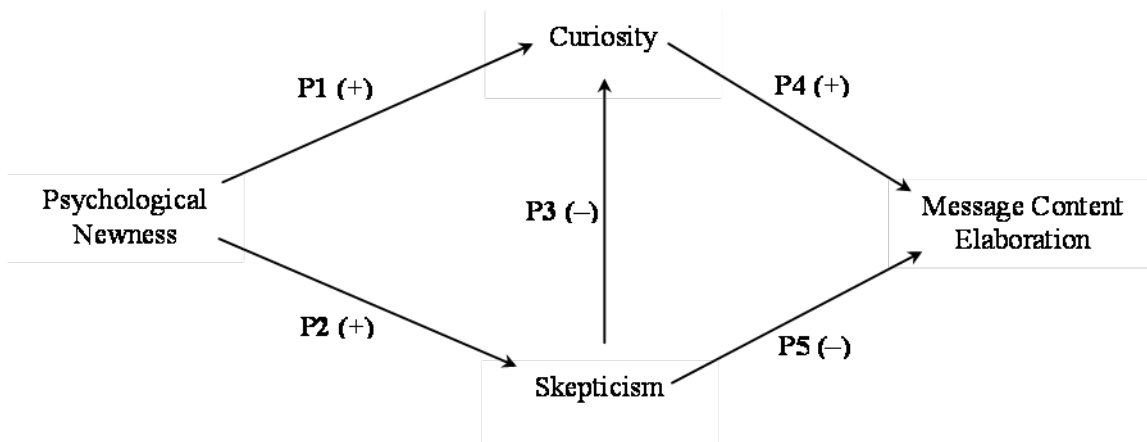
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ABSTRACT

Recent research suggests that because of the extreme benefits and constraints characterizing really new products (Hoeffler 2003), 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. 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.

Figure 1. The effect of psychological newness on new product message content elaboration.



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. 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 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 socially close source 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 recommendations said to originate from a fellow student 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 fellow student 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. 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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IT TASTES BETTER CONSCIOUS: ATTENTION AND INFORMATION IN HEDONIC CONSUMPTION EXPERIENCE

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ABSTRACT

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?

Surprisingly, recent 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 rather than under no distraction. In their 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. The informational element is only weighted under low distraction. 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., 2007; Levin & Gaeth, 1988; Wood & Quinn, 2002). Under these conceptions attention is crucial to hedonic experience. Consequently, these models predict – and research often verifies – that distraction leads to a muting of hedonic experience.

How does one reconcile the extensive literature on pain perception with the research on the effects of distractions on food-sampling effectiveness? 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 than 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* (top-down), while participants in the no distraction condition might have based their evaluations or choices on *actual experience* (bottom-up). Thus, the two conditions are rendered incomparable in regards to participants' actual hedonic experience, since the basis of evaluation was different between the two conditions (see Lynch & Srull, 1982; Lee, 2002). Further, the results obtained make sense in light of the differential reliance on memory versus beliefs, since given the high-quality chocolate context given in the experiments participants were likely to expect high quality.

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) X 2 (distraction: high or low load) X 2 (delay: delay or no delay) within-participants foldover design.

Results and Discussion

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 delay occurred between sampling and preference indication, participants preferred the tasted chocolate 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 chocolate 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 the crackers, participants received negative information about the crackers consisted in a low consumer panel rating (4.6/10 points) and a cheap-looking cracker box that was rated low in pretests. Participants then returned to their individual computer stations and rated the crackers on a scale of 1-7, anchored by "not at all tasty" and "very tasty".

Note that in this study all participants were essentially in a delay condition. Under our conceptualization, participants should thus show a greater weighting of the information they received (i.e., lower evaluation) under high, rather than low, distraction. This was indeed the case ($p = .015$). Note that this prediction is the opposite of the one derived from the Shiv and Nowlis framework, where information should be weighted more highly under low, rather than high, distraction.

In a second part of the study (2b), a different group of participants ($N = 83$) received positive, rather than negative (8.7/10 points), information. In this instance there was no effect of information on evaluation, suggesting that default evaluations of the crackers might be high as well. A combination of the 4 conditions produced a marginal interaction between information and affect ($p < .1$).

The next study will aim to examine the moderating role of level of 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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DETERMINING PROBABILITIES USING NAIVE STATISTICS

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ABSTRACT

It could be argued that the ability to engage in accurate risk assessment to inform decision-making is an adaptive capacity bestowing an evolutionary advantage to the individual who must survive and make choices in an uncertain environment (Geary, 2005). Some mechanism that enables probabilistic estimation would seem to be an essential human ability (Cosmides and Tooby, 1996). However, research suggests that the computation of accurate probability estimates by the untutored can be fraught with difficulty and may be distorted by intuitive biases (Reyna and Farley, 2006). This is a paradox: We must be able to do it, but short of mathematical instruction, we do not seem to do it very well (Garfield and Ahlgren, 1988). The study of decision making and probability assessment is vitally important in the context of public health. With the increase in sexually transmitted diseases (HPV, HIV) and the rise of drug use amongst young adults, this study on probability estimation becomes a vital component in educating and preparing effective public health campaigns.

In order to avoid the response difficulties associated with the estimation of probabilities from ratio and rate presentation formats, we constructed a spatial analogue measure, basically a line anchored by 0 at one end and 1.0 at the other representing the endpoints of the likelihood of events. The subject's task is to put a mark on that line to represent the perceived likelihood of a target event. Placement translates into a quantitative estimate. In pilot studies, the targets included simple empirical probability problems and a set of real-life event likelihood predictions. Repeated measures ANOVA with the empirically determinable targets indicated that actual probability values accounted for 93% of the variance in the estimated values. This represented "on-line" processing, as subjects had neither the time nor the devices to make the computations.

We used this measure in two studies with undergraduates who had not been exposed to formal instruction in statistics. We had 21 targets--16 empirical probability problems (simple and compound probabilities), and 5 items assessing probable risk for contracting specific diseases (e.g., HIV). The results were replicated across the studies. For the empirical probability problems, actual values accounted for 70% of the variance with a significant target effect ($p < .001$). Subjects were as accurate estimating outcomes with simple and compound problems, at high, mid, and low probability values. In short, given the circumstance of "on-line" processing, they could do it. As for the risk assessment targets, subjects were less successful. Their estimates departed significantly from published rates; and they tended to overestimate the risk of contracting low frequency diseases (which one could argue is adaptive for informing decision making to avoid contamination). An interesting finding, however, is that on this task subjects appeared to operate with a two-category system: Likely vs. Unlikely, rather than to make the sort of quantitative distinctions that they can produce in other circumstances. In short, subjects can do this kind of computation, but as circumstance become challenging, amorphous, or knowledge is lacking, they seem to "fall back on" a simpler heuristic. Results are discussed in terms of a two-process approach to cognition (Klaczynski, 2005) and the evolutionary adaptiveness of implicit heuristics that are a "close enough" fit with the demands of the environment (Geary, 2005).

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**WHO IS ON YOUR SIDE WHEN YOU BUY A HOME?
AGENCY REPRESENTATION AND CONSUMER WELFARE
IN REAL ESTATE MARKETS**

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ABSTRACT

We examine consumer welfare implications of ‘dual agency’ in real estate markets by developing a pricing model that incorporates two key sources of heterogeneity: (a) among sellers and buyers, respectively, in the extent to which they approach the home sale from ‘above’ and ‘below’ the latent value of the house, and (b) among agents in where they anchor buyers when arriving at a final sale price. Analysis of Multiple Listing Service data supports the theorizing, and estimates that an average buyer represented by a dual agent pays over \$16,000 *more* for a house than one represented by a non-dual agent.

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THE IMPACT OF VISCERAL INFLUENCES ON CONSUMERS' EVALUATION OF WEIGHT LOSS ADVERTISING: A PROPOSAL FOR MEASUREMENT

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ABSTRACT

The weight loss industry has come under fire from the Federal Trade Commission in recent years due to consumers' claims that many firms, when marketing weight loss products, are using advertisements that attempt to deceive consumers. Illegitimate weight loss claims have created so much concern that a White Paper call-to-action to investigate misleading weight loss advertisements was filed in October 2006. The fear is that illegitimate weight loss products/ services are contributing to the global obesity epidemic.

While there is a call-to-action to investigate and snuff out misleading weight loss advertising claims, little attention has been garnered concerning the understanding of why consumers respond to potentially misleading weight loss claims. Intuitively, an understanding of why consumers fall prey to weight loss claims may aid practitioners and policy makers as they make important decisions relative to the weight loss industry and its practices. This study attempts to fill that void by applying the theory of visceral influences to the context of weight loss advertising.

Loewenstein's theory of visceral influences was developed to aid in explaining why consumers make decisions contrary to their long-term self-interest. In particular, this theory has strong implications for a variety of consumption choices ranging from everyday consumption choices to self-destructive activities such as drug and sexual addiction. At the core of the theory is the strength and allure of a goal or reward. Visceral factors are drive states that have a direct hedonic impact, have an effect on the relative desirability of various goods and activities, and consequently, have a strong influence on the decisions consumers make. Traditional decision-making models do not account for the widespread phenomenon of consumers making decisions that may have an aversive effect on their long-term well-being. In addition, the strength and allure of a visceral factor may explain why those who are intent on misleading and deceiving consumers successfully do so. Based on the theory of visceral influences, common visceral cues (cues associated with any reward linked to a visceral factor) used by scammers include *proximity of reward*, *vividness of reward*, and *reward priming*.

To adequately test the theory of visceral influences in the context of weight loss advertising, a two step approach is proposed. First, advertiser intent will be assessed through content analysis of weight loss ads. From this content analysis, visceral cues can be assessed and interrelationships among the three variables, proximity of reward, vividness of reward, and reward priming can be established.

Second, composite ads created from the content analysis will be used to assess consumer response to common cues used in weight loss advertising. It is expected that ads which use visceral cues should evoke a more intense visceral response from participants. Accordingly, participants will be likely to focus more on the reward components of an advertisement's message, have a greater propensity to purchase, and feel greater emotional intensity with weight loss after viewing ads with visceral cues.

This work will make the following contribution. First, it addresses an area of public policy and marketing where there is a great deal of concern and a need for research that can help shape future legislation regarding advertising practices in the weight loss industry. Second, it provides an empirical examination of visceral cues in an advertising context. Third, through a two step approach, it assesses both advertisers' intent through content analysis and consumers' response through a series of experiments.

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DYNAMIC CHOICE SETS USING FEEDBACK CONTROL DESIGN

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ABSTRACT

This paper first presents the software that was developed to collect the respondent choice decisions when presented with a computer selection task. The data collected from the experiment was used to show that the mechanism of feedback is an attractive choice for users as far as their frustration levels are concerned. For this, we used a simple heuristic for feedback control to see how the users would feel about a feedback mechanism. Moreover, we also used the same data to extract the dynamic model of the system. This extracted model then was used to design a feedback control law for desired information rate tracking. Finally, simulations were performed to validate the controller performance to desired information rates.

Information rate is given by the number of choices a user can traverse through per unit time. It is calculated by dividing the number of choices presented to a user at a given time by how much time the user takes prior to making a choice per choice set. One might assume that a high value of information rate is always preferable. However, if we provide a very large list of options to an individual, he/she may not study the list and may make a less valuable choice (due to frustration). The quantitative value of the information rate would, in this case, be misleading. Therefore, a mid-value of information rate is likely to be most desirable in terms of the consumer's ability to feel comfortable with and use the information to make a subjectively good choice. After the desired information rate is known, the feedback control law calculates how many choices should be shown per choice set based on how much time he or she took to traverse the previous one.

We also use a Simple Feedback Adaptive (SFA) algorithm on some users to see its effectiveness. This algorithm constantly calculates the information rate per individual. So, the information rate is simply a ratio indicating computers processed per second. The SFA algorithm checks if the previous information rate is larger or smaller and whether it increased or decreased on the previous click. If the previous information rate improved, and it was increasing the number of computers displayed, or if the rate became smaller and it was decreasing the number of computers displayed, then the algorithm will cause the number of computers displayed to increase. The converse is true also, which would cause the algorithm to decrease the number of computers displayed. By default, the SFA algorithm will increase the number of computers after the first choice, in order to have two rates to compare. Any increment or decrement is done two computers at a time. First data set used time and the second used information rate for feedback.

In order to reiterate the importance of creating adaptive numbers of choices in choice sets, which underscores much of the research to date on information overload and complexity in choices, we undertook one experiment in which the subjective measures of satisfaction, confidence, attention and frustration were measured after the number of choices was systematically varied. The outcome variables were measured via survey after each subject completed her choice task. We conducted two sets of analyses on the data. The first set of analysis, called nominal analysis, was used to determine the

nominal model for the feedback control algorithm and the second set of analysis, or verification analysis, was used to verify the effectiveness of SFA.

There were two purposes to the experiment we conducted. Firstly, we used the experiment to determine the nominal model of the feedback control design for our system. This purpose made use of the subjective variables of satisfaction, frustration, attention, and confidence and showed that when the number of choices reaches an excessive level, subjects experience negative consequences which should be avoided. The second purpose was to see if SFA would in fact lead to better quality results, thus the optimal information rate for each subject. This hypothesis was confirmed, as can be seen in Figure 11, thus showing that a feedback control model can be used to determine the number of choices presented to a user which will generate favorable quality-efficiency results.

In sum, we collected data to test the hypothesis that an optimized information rate will produce better subjective responses to a website. The data confirmed our conjectures. We developed a nominal model for the e-commerce system, and collected data to estimate the parameters for the model. We then designed a feedback control law to make the system follow a given information rate. The estimated model was used in developing simulation software for testing the closed loop system. The simulations gave promising results for the closed loop system. Hence, the feedback controller can obtain the desired information rate by varying the number of choices shown to the individual. Further research is needed to develop more advanced controllers, such as adaptive controllers that can estimate the model parameters online.

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**FOR HIM, FOR HER: THE EFFECTS OF GENDER STEREOTYPES IN
ADVERTISING ON GIFT GIVING BEHAVIOUR AND SOCIAL ATTITUDES**

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ABSTRACT

Gift exchanges carry powerful symbolism. Gift value and selection can reinforce or alter relational ties and complex power relationship dynamics between the exchange partners. Relational dependencies or domination can evolve out of felt obligations based on a need for reciprocity and inherent status imbalances. This proposal explores the impact of negative female stereotyping in ads, giver gender and product type on people's preferences for gender appropriate gifts. It is expected, based on an understanding of prevailing sex-role stereotypes, that negative stereotype ads will significantly impact stereotype congruent choices. Preliminary results suggest that male givers are more inclined toward gender matching than females, and gender stereotyped ads increase the likelihood of selecting hedonic gifts for male recipients.

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PROPRIOCEPTION AND THE TRUTH-EFFECT

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ABSTRACT

Proprioception is defined as, “the unconscious perception of movement and spatial orientation arising from stimuli within the body itself” (American Heritage Dictionary, 2000). We encode positive stimuli during compatible proprioception (e.g., nodding) and negative stimuli during incompatible motor tasks (e.g., shaking) (Forster & Strack, 1996). Nodding (vs. shaking) results in increased persuasion (Brinol & Petty, 2003; Wells & Petty, 1980). Various forms of proprioceptive feedback [i.e., facial expression (Martin, Harlow, & Strack, 1992; Stepper & Strack, 1993), upper arm flexion/extension (Priester, Cacioppo & Petty, 1996; Cacioppo, Priester, & Bernston, 1993; Neumann & Strack, 2000), and overt head movements (Forster & Strack, 1996)] have been empirically shown to subconsciously alter evaluations. For the purposes of this study, the proprioceptive stimuli to be used will be overt head movements in the form of nodding/shaking.

Many studies have shown that repeatedly exposing people to claims increases the perceived truth of the claim when it is seen at a later point in time, even if the claim had been explicitly presented as false (e.g., Hawkins & Hoch, 1992; Skurnik, Yoon, Park, & Schwarz 2005; Gilbert, Krull, & Malone, 1993; Law, Hawkins & Craik, 1998). This is known as the *truth effect*. Repetition increases familiarity, and familiarity is a cue for truth (Hawkins & Hoch, 1992, 2001). However, according to Hawkins, Hoch, and Meyers-Levy (2001) “There are diminishing marginal returns to repetition-induced increases in belief. The biggest boost comes from one prior exposure.”

Prior research shows some ambiguity as to the underlying rationale for the truth-effect. Some researchers believe the truth-effect to be an encoding (anchoring) effect (Gilbert, Krull, & Malone, 1990). This implies that people are prevented from unbelieving the assertions they comprehend. Other researchers believe the truth-effect to be a retrieval effect (memory bias) (Skurnik et al., 2005), that we use familiarity to infer truth. This experiment is designed to clear up some of the confusion.

It has been shown that nodding (vs. shaking) produces anchoring effects when the anchors are self-generated (Epley & Gilovich, 2001), but proprioception has never been used to induce the truth-effect. This study will use head movement proprioception as a mechanism to evoke the truth-effect. If the truth-effect really is a memory bias, then head nodding/shaking will not influence the truth-effect. Conversely, if it is an encoding effect, then the head nodding/shaking will valence the encoding and produce an even more robust truth-effect.

The purpose of this study is to see the effects of proprioceptive feedback on judgment. More specifically, to see if proprioceptive feedback enhances the truth-effect. Prior research has shown proprioception to influence evaluations, but there is no extant literature showing if and how it affects truth judgments. The study design used is a 3(nod/shake/still) x 2(Selection of statements: Set A/Set B) x 2(Exposure: 0/1) mixed factorial, with nod/shake/still and SetA/SetB as the between-subjects factors and exposure as the within-subjects factor. Two sets (A and B) were used as an attempt to establish the unbiased nature of the statements chosen. A distraction task was given to ensure low involvement, since

the truth-effect has been shown to occur under conditions where involvement is low (Hawkins & Hoch, 1992).

Results confirmed that false statements with one exposure have a higher truth rating than false statements with no previous exposure. Unfortunately, there was a significant difference between Set A and Set B with nodding treatment subjects perceiving more false statements as true for Set B, but not Set A.

This study produced a large truth-effect (perhaps the largest of any truth-effect study done thus far). However, in an attempt to create low involvement, the study was likely too cognitively taxing. Combining the distraction task with head movement masked the effects of the head movement on truth ratings. Upon reviewing the effects of head movement, we found bigger effects for the control group (still) which confirms that this study was probably asking the subjects to do too much. The results for Set B confirm that head movement *did* have an effect. (Those in the nodding treatment perceived the false statements to be truer than those in the shaking treatment.) Follow-up studies are in progress to further investigate the role of proprioception in judgment and to correct for the discrepancy found between sets.

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CONVERSATIONAL INFERENCES AND THE TRIVIAL ATTRIBUTE EFFECT

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ABSTRACT

Trivial attributes are attributes that are promoted as adding value, but in reality do not create any meaningful advantage. For example, Budweiser beer is “beechwood aged” (Kardes 2002), Alberto Natural Silk Shampoo advertises that silk is a key ingredient in its shampoo (Carpenter, Glazer, and Nakamoto 1994). Rather than ignoring trivial attributes, consumers sometimes use trivial attributes as a basis for choice (Brown and Carpenter 2000; Carpenter, Glazer, and Nakamoto 1994). Several explanations have been suggested in the literature including incomplete debiasing or a perseverance effect (Carpenter, Glazer, and Nakamoto 1994), using the irrelevant attribute as a heuristic cue (Simonson, Carmon, and O'Curry 1994) or as a signal of uniqueness in the choice set (Carpenter, Glazer, and Nakamoto 1994), etc.

We propose an additional explanation. The cooperative principle (Grice 1975) assumes that communications are constructed intentionally, and that communicators both desire and have the ability to cooperate with recipients. As a result, the recipient should assume that the information communicated is truthful, relevant, complete (but not redundant) and clear. Based on Grice's (1975) cooperative principle and the logic of conversation, we believe that consumers assume that all the attribute information included in an ad is relative and important to their choice. We think that consumers assume that ads mention trivial attributes for a good reason (i.e., that the attributes are nontrivial), especially if the source is fairly trustworthy (e.g., a reputable brand name or a public service announcement).

Another important consideration in determining importance or relevance of information is why it was included in the first place. Conversational inference would suggest that it was included because it is relevant. If attributions are made while processing the information, the relevance of information may be called into question. Research has shown, however, that attributions are not necessarily generated spontaneously (Hastie 1984; Houghton et al. 1998; Weiner 1985). As a result, prompting people to think about attributions prior to rating attribute relevance may make people more aware of an attribute's irrelevance, reducing the rating of its importance.

We have designed a series of experiments to investigate source effects and attribution effects as they influence consumers' reliance on trivial attributes. Based on conversational inferences, it is expected that participants will rate the irrelevant attribute as more important when the communicator is more credible. Further, the communicator credibility effect should be stronger when the attributional measure prompts the participant to consider attributions for why the irrelevant attribute is included in the information provided. We will also test to see if these two variables interact or if attribution for inclusion of the irrelevant attribute mediates the effect of communicator credibility on the perceived importance of the irrelevant attribute.

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THE INFLUENCE OF BRANDING ON ATTITUDE FUNCTIONS

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ABSTRACT

Attitudes serve different functions, with some serving a *utilitarian* function of maximizing rewards but others serving a *symbolic*, self-expressive function (Katz, 1960). Prior research has suggested that particular products are associated with particular attitude functions: whereas some products (e.g., aspirin) typically support utilitarian attitudes, others (e.g., photographs) typically support symbolic attitudes (Shavitt, Lowrey, & Han, 1992). Such prior research has been primarily conducted at the category level, and not at the brand level. We propose that product attitudes serve predictably different functions at the brand level.

First, consider products typically associated with utilitarian attitudes. Because brands have personalities and images, attitudes toward these products might become more symbolic with branding. However, branding might operate differently for products that already support symbolic attitudes. Branding might, paradoxically, *weaken* the association between such products and symbolized values, inasmuch as branding may evoke end-users or corporate parents (and may turn symbolic items into mundane goods). Hence, we predict that products supporting utilitarian category-level attitudes will support more symbolic brand attitudes. Conversely, products supporting symbolic category-level attitudes will support more utilitarian brand attitudes.

We further predict that these effects will alter appeal persuasiveness. Typically, “function-matching” appeals are advantaged over “mismatching” appeals; thus, for “utilitarian” products, appeals involving costs and benefits are preferred, but for “symbolic” products, appeals involving value-laden, symbolic arguments are recommended (Shavitt, 1990).¹ That said, the appeal-attitude “match” may change with branding. For example, for a utilitarian product, a utilitarian appeal’s advantage may be lessened at the brand level, precisely because *brand* attitudes for the product may be less utilitarian. Thus, as the predominant function associated with a product is diluted by branding, so too may be its “matching” appeal’s advantage.

We first examined whether branding alters attitude functions. In study 1a, we selected paper towels, toothpaste, vitamins, and cough syrup as supporting utilitarian category-level attitudes, and college t-shirts, American flags, class rings, and greeting cards as supporting symbolic category-level attitudes. (Ratings confirmed these classifications.) Participants ($N = 132$) evaluated the attitude functions they associated with each product. Approximately half evaluated category-level products (e.g., vitamins) and the rest evaluated branded products (e.g., One-a-Day vitamins). As predicted, products that supported utilitarian category-level attitudes supported somewhat more symbolic brand attitudes, but products that supported symbolic category-level attitudes supported *less* symbolic brand attitudes.

Study 1b ($N = 139$) replicated study 1a’s procedure, but participants in the branded condition

¹ “Utilitarian products” (“symbolic products”) refer to products associated with utilitarian (symbolic) *category-level* attitudes.

evaluated hypothetical, unnamed brands. Again, branding made attitudes toward utilitarian products more symbolic but attitudes toward symbolic products more utilitarian. Thus, merely presenting a product as branded alters attitude functions, even without specific brand names biasing perceptions.

Study 2a examined the implications of this effect for persuasion. We examined appeals for paper towels and college t-shirts, which support predominantly utilitarian and symbolic (respectively) category-level attitudes. Participants ($N = 72$), randomly assigned to one cell of a 2 (level: brand, category) x 2 (appeal: matching or mismatching the category-level attitude) design, evaluated one appeal per product. For paper towels, the utilitarian (matching) appeal discussed cleaning, whereas the symbolic (mismatching) appeal discussed how paper towels, made of recycled paper, symbolize conservation. For t-shirts, the utilitarian (mismatching) appeal described a discount associated with the shirts, whereas the symbolic (matching) appeal emphasized school spirit. Appeals were either delivered for the product category or for one brand, with purchase intent similarly rated for the category or brand. As predicted, matching appeals reliably outperformed mismatching appeals at the category level, but this advantage disappeared – and non-significantly reversed – when these appeals were used at the brand level. Study 2b ($N = 117$) replicated these results, using different products and artificial brand names.

In study 3, participants ($N = 55$) evaluated an advertisement for greeting cards. Between participants, we manipulated whether the appeal was symbolic or utilitarian, and whether it was a category-level or brand-level appeal. We also measured the function served by each participant's attitude towards greeting cards; this allowed us to define for each participant whether a given appeal should be a "match." Indeed, for those with utilitarian attitudes, the utilitarian appeal had an advantage at the category level, but this effect slightly reversed at the brand level. For those with symbolic attitudes, however, the symbolic appeal had an advantage at the category level, but not at the brand level. Thus, the very same appeal was more or less successful depending upon whether it matched an individual's attitude function, thereby confirming attitude functions' role in these effects. Even with appeals held constant and "matches" defined idiosyncratically, matching appeals outperformed mismatching appeals for categories, but this advantage was attenuated for brands.

In sum, branding alters attitude functions, with predictable consequences for persuasion. Function-matching appeals that succeed at the category level lose their preferred status at the brand level, in part because appeals that are incongruent with categories are more congruent with brands. This is important, especially because most appeals target brands (rather than entire categories). Indeed, managers, who may have previously shied away from "mismatching" brand appeals, may actually achieve some measure of success with such appeals. It remains interesting to consider not only why these effects arose, but also how decisions among brands might differ more generally from decisions among categories. It seems that the mere fact that a product has been branded can strikingly alter not only how it is perceived, but also how attitudes towards that product can best be changed.

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WHEN DOES NEGATIVE BRAND PUBLICITY HURT? THE MODERATING INFLUENCE OF ANALYTIC VERSUS HOLISTIC THINKING

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ABSTRACT

Consumers today have access to a wide variety of outlets for news and product information. At the same time, however, the heightened availability of information has made it more difficult for firms to restrict and manage negative publicity about their products and services. In this research, we propose that consumers vary in their responses to negative publicity as a function of analytic versus holistic styles of thinking. Styles of thinking influence whether negative publicity about a brand is viewed within a larger context, resulting in less blame being attributed to the brand alone.

We draw upon recent psychological research describing individuals as having different styles of thinking—analytic versus holistic. Holistic thinking involves an orientation to the context or field as a whole, whereas analytic thinking involves a detachment of the object from its context and a focus on attributes of the object (Nisbett, Peng, Choi & Norenzayan, 2001). As such, holistic thinkers are more attuned to external contextual factors as a determinant of behavior, whereas analytic thinkers ignore the context and focus on the object or event itself (Miller, 1984; Choi, Nisbett, & Noranzayan, 1999).

Different styles of thinking are likely to influence the way consumers interpret negative publicity information, such as a brand launching a poor quality product. Holistic thinkers will be more likely to consider external, contextual factors, whereas analytic thinkers are likely to restrict their focus to object-based explanations, which implicate the parent brand. Analytic thinkers, who focus on object-based explanations, are more likely to implicate the brand, leading to a revision of their brand attitudes and beliefs in a negative direction. In contrast, holistic thinkers, who consider more context-based explanations that divert blame away from the parent brand, are less likely to revise their brand attitudes and beliefs.

Study 1

In the first study, we manipulate the salience of contextual information. We predict that under low contextual salience, holistic thinkers would provide more favorable brand evaluations than analytic thinkers. However, increasing contextual salience should reduce differences between analytic and holistic thinkers.

Our findings confirmed these expectations. Using a 2 (prime: analytic, holistic) x 2 (contextual salience: low, high) design with a control group, we find that consumers primed to think holistically did not revise their brand evaluations when contextual salience was low, in contrast to analytic thinkers, who did revise their beliefs in the negative direction. However, when context salience was high, both analytically- and holistically- primed consumers behaved identically and did not revise their beliefs because both groups endorsed context-based explanations equally.

Study 2

In the second study, we manipulate the level of cognitive load. Previous research suggests that using object-based information is relatively automatic, requiring little cognitive effort (Lieberman et al. 2002). However, using context-based information requires cognitive resources (Gilbert, Pelham & Krull, 1988). These findings suggest that under high cognitive load, holistic thinkers would be unable to use the context-based information that is usually salient to them under conditions of low cognitive load. Therefore, for holistic thinkers, brand evaluations would be revised in a negative manner under high load, but not under low load. In contrast, analytic thinkers do not consider context-based information, instead relying on object-based information exclusively, suggesting that they would revise their brand beliefs in the negative direction regardless of the level of cognitive load.

Our findings were supportive of these predictions. We used a 2 (prime: analytic, holistic) x 2 (cognitive load: low, high) design with a control group. We find that for holistic thinkers, brand evaluations were be revised in a negative manner under high load, but not under low load. In contrast, analytic thinkers did not consider context-based information, and revised their brand beliefs in the negative direction regardless of the level of cognitive load.

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PRESCHOOL CHILDREN'S BRAND SYMBOLISM UNDERSTANDING: LINKS TO SOCIAL AND COGNITIVE DEVELOPMENT

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ABSTRACT

This research is used to assess cognitive ability, theory of mind, and executive functioning as predictors of emerging brand symbolism understanding. For the purpose of this study, brand symbolism understanding is defined as an understanding of the meanings attributed to various brand names. It includes an appreciation of the ways in which a brand name symbolizes user qualities (e.g., popularity, user image) as well as information about the products or services encompassed by the brand (e.g., perceptions of quality). Past research has suggested that preschool children can perform basic tasks such as naming products, but sophisticated symbolism understanding is absent until somewhere between seven and eleven years of age (John 1999). This finding is consistent with traditional views in psychology that children younger than seven years of age are relatively incapable of thinking about abstractions such as symbols (Piaget 1970). On the other hand, modern psychology research refutes such views. Recent studies have shown that, using age-appropriate tasks, children as young as three demonstrate mental perspective taking abilities (see Wellman, Cross, and Watson 2001). Past conclusions are, therefore, in question since the Piagetian model of children's development is considered outdated and since the tasks employed in the majority of prior studies are arguably inappropriate for use with preschoolers.

Prior marketing studies have found that only tweens (11-12 year olds) are capable of engaging in sophisticated thoughts about brands (e.g., Achenreiner and John 2003). This conclusion may be confounded. While the children included in these studies were aged five to 12 years, the stimuli included only fashion brands. Results may simply indicate that young children are not yet interested in fashion.

Moses and Baldwin (2005) argue that approaches that focus on children's development of 'theories of mind' and 'executive functioning' skills will be more fruitful. Theory of mind refers to a child's ability to appreciate intentions and beliefs, and to engage in mental perspective taking. Executive functioning encompasses behavior planning, rule adherence, mental flexibility, and inhibition (Frye, Zelazo, and Palfai 1995). Moses and Baldwin's argument relates to the fact that Piaget's stages of development are primarily useful in describing general patterns of development across age groups, while a stronger model would account for variance within the stages. Recent research in psychology has found that both theory of mind and executive functioning explain significant variance in preoperational children's abilities.

We investigate the extent to which cognitive ability, theory of mind and executive functioning explain variance in preschool children's brand symbolism understanding. A preliminary study assesses preschoolers' familiarity with various brands. Hypothesis 1 tests the effect of using age-appropriate stimuli:

H1: Children's recognition of brands will differ as a function of the brand's target segment. Recognition will be higher for child-oriented brands than for teen/adult-oriented brands.

The second study tests two hypotheses. It uses a subset of brands identified during the preliminary study as being recognized by a majority of preschoolers. Hypothesis 2 is tested to determine the extent to which executive functioning is associated with brand representation ability. Theory of mind and cognitive ability are included in analyses to address the call for their measurement in brand research (Moses and Baldwin 2005). Age and verbal ability are included as control variables.

H2: Controlling for the effects of age and verbal receptiveness, the quality of children's mental brand representations will show a significant positive relationship to executive functioning.

Hypothesis 3 tests the relationship between theory of mind and brand symbolism understanding. Stimuli comprise only the brands for which children have formed adequate mental representations. Consistent with the full model used to assess hypothesis 2, hypothesis 3 is assessed using the same three IVs and control variables.

H3: In the full model controlling for age and verbal receptiveness, and including executive functioning and cognitive ability, children's brand symbolism understanding will show a significant positive relationship with theory of mind.

Brand recognition is significantly higher for child-oriented brands than teen/adult brands. This finding supports the argument that the use of teen/adult brand stimuli is inappropriate when testing young children.

Theory of mind and executive functioning are both significant predictors of brand representation ability. The significant positive association between executive functioning and children's ability to form mental brand representations is consistent with psychology research which has shown that many preschoolers have executive functioning that is advanced enough that they can use abstract reasoning to classify stimuli according to rules (e.g., Frye, et al. 1995). Moreover, the present finding questions the Piagetian notion that preschool children are incapable of abstract thinking and is inconsistent with prior studies that have relied heavily on Piagetian theory (e.g., Achenreiner and John 2003).

The significant link between theory of mind and brand representation ability was not anticipated, but perhaps should have been, given that theory of mind – the ability to think about others' thoughts – inherently requires mental representation. It requires that the child is able to hold in their mind a representation of another's mind (i.e., what the "other" is currently thinking or feeling). It is therefore logical that children with advanced theory of mind are better practiced at representation and that this practice translates to their greater brand representation abilities.

As predicted, theory of mind also shows a significant association with children's brand symbolism understanding. These findings suggest that the emergence of brand symbolism understanding is more rapid among children who demonstrate a mature theory of mind. We conclude that the ability to reason about the thoughts and feelings of others results in a heightened awareness of the ways in which brands can be used as symbols in a social world (e.g., to represent status, popularity, quality).

These findings contrast with the existing view that preschool children do not have sophisticated brand knowledge. The significance of theory of mind and executive functioning aligns with current theories of children's development. It is suggested that future marketing studies continue to examine individual differences in children's development, while controlling for age and language ability.

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REGULATORY FIT AND EVALUATION MODE: FEELING RIGHT ABOUT HEDONIC AND UTILITARIAN CONSUMPTION

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ABSTRACT

Numerous researches in the literature have shown that individuals' regulatory focus is an important determinant of consumer behavior (Safer 1998; Yeo and Park 2006). For instance, promotion and prevention focused subjects have been found to pay differential attention to the type of information chosen for decision making. Studies have shown that promotion focused people are more persuaded by the attractiveness of the ad, while prevention focused people tend to base their decisions on the substantive arguments in the ad (Pham and Avnet 2004). Consistent with this finding, Avnet and Higgins (2006) further argued that promotion focused individuals are more likely to adopt a feeling based strategy for processing information while prevention focused individuals are more likely to adopt a cognition based strategy. Drawing from these findings, this research argues that the differential preference for feeling versus cognition based processing strategy suggests that promotion focused individuals and prevention focused individuals may exhibit different preferences for hedonic and utilitarian information.

In the marketing literature, hedonic consumption has been described to be experientially driven. Emotions and symbolic elements are key drivers of product choice (Hirschman and Holbrook 1982). They are more affective in nature. On the other hand utilitarian consumption has been found to be ergic, task related and fulfilling a practical purpose (Batra and Ahtola 1991). They are more cognitive in nature (Voss et al. 2003). Since people with different regulatory concerns pays selective attention to affective versus cognitive information, we would expect them to react differently to these two types of consumptions.

Specifically, since promotion focused individuals pay greater attention to affective information, we proposed that they would exhibit more favorable attitude when an ad highlights the hedonic attributes of a product. Alternatively, since prevention focused individuals pay greater attention to cognitive information, we argued that they would exhibit more favorable attitude when an ad highlights the utilitarian attributes of a product. In addition, we also hypothesized that this difference between promotion and prevention focused individuals only holds when the evaluations are made singularly (i.e., the individuals evaluate each ad independently of the other). When the products are evaluated jointly, the effect would be eliminated. This is because when products are evaluated singularly, subjects are not explicitly comparing the product with other alternatives and will generally prefer information that fits their regulatory orientation. However, when products are evaluated jointly, multiple items are presented together and evaluated as explicit trade-offs among one another (Okada 2005). The choice of one alternative will result in the explicit rejection of the other. In such situation, the relative valuation of hedonic attributes is enhanced since it is more imaginable (Dhar and Wertenbroch 2000). Thus, when exposed to both hedonic and the utilitarian version of a product in the joint evaluation mode, we would expect both promotion focused subjects and prevention focused subjects to elaborate more on the hedonic information and exhibit greater preference for the product that rates more favorably on the hedonic dimensions.

Two experiments were conducted to test the above hypotheses. In the first experiment, a 2(Regulatory Focus: Promotion versus Prevention) x 2(Feature Type: Hedonic versus Utilitarian) between subjects design was run. Participants' regulatory focus was manipulated by asking them to write about their hopes and aspirations versus duties and obligations. Subsequently they were asked to evaluate a product, a new brand of yoghurt, described in terms of hedonic or utilitarian features. Both hedonic and utilitarian features were determined through a pretest. Typical hedonic features were "creamy and delicious taste", "wide range of fruity flavours", "real fruit chunks for added taste" while utilitarian features included were "made from calcium and vitamin fortified milk", "good source of bone nutrients", "contains live culture" and "97% fat free".

Results showed that there was a fit between regulatory focus and feature type as evident from the significant two way interaction between the independent variables. Prevention focused subjects had a significantly higher evaluation of the yoghurt when the utilitarian features were highlighted, relative to when the hedonic features were highlighted. However, for promotion focused subjects, there was no significant difference in their evaluation of hedonic versus utilitarian yoghurt. The fit effect was thus found for prevention focused subjects only.

Study 2 aimed to replicate the effects found in study 1 and examines the moderating role of evaluation mode. To this end, a 2 (Regulatory Focus: Promotion versus Prevention) x 2(Feature Type: Hedonic versus Utilitarian) x 2(Evaluation mode: Single versus Joint) experiment was conducted. Similar to our first experiment, regulatory focus was manipulated by asking subjects to write about their hopes and aspirations versus duties and obligations. Similarly, feature type was manipulated by using separate versions of the same yoghurt ad. To manipulate evaluation mode, participants in the single evaluation mode viewed either the hedonic or the utilitarian version of the yoghurt independently; whereas those in the joint evaluation mode viewed both ads side by side. Order of the ads was counterbalanced. Results once again supported our hypotheses. In the single evaluation mode, promotion focused subjects had significantly higher evaluation of the yoghurt when the hedonic features were highlighted, compared to when the utilitarian features were highlighted. On the other hand, prevention focused subjects had higher evaluation of the yoghurt when the utilitarian features were highlighted, relative to when the hedonic features were highlighted. In addition, prevention focused subjects also rated the utilitarian yoghurt significantly higher as compared to promotion focused people. In the joint evaluation mode, the two way interaction between regulatory focus and feature type was not significant. Both promotion and prevention focused individuals preferred the hedonic version of the yoghurt. Thus, results replicate the findings in study 1 and supported our hypothesis.

In summary, results from two experiments supported our hypotheses that promotion and prevention focused individuals exhibit differential preference for hedonic versus utilitarian features and this is moderated by the evaluation mode.

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THE ROLE OF MODE OF EXPOSURE AND PRIMING IN SOCIAL COMPARISONS WITH IDEALIZED IMAGES

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ABSTRACT

Many marketers employ extraordinarily attractive models when advertising their products (Bower 2001). Although consumer researchers have clearly identified positive outcomes of placing attractive endorsers in ads, including their influence on enhancing product evaluation, ad evaluation and the viewer's intention to purchase the product (Bower 2001; Kang and Herr 2006), there are also a number of negative consequences for female consumers such as lowered body satisfaction (Meyers and Biocca 1992) and self-assessed attractiveness (Martin and Gentry 1997) and increased likelihood of engaging in problem eating patterns (e.g., Harrison 2000; Stice and Shaw, 1994). Up to now, consumer researchers have rarely been concerned with the possible negative impact of exposing consumers to idealized endorsers through advertising.

The purpose of this research is to investigate how idealized images in advertising affect young women's self perceptions within the framework of social comparison theory. In particular, we propose that social comparison process can take place via either an implicit or an explicit route. An implicit social comparison, when taking place automatically, or outside viewers' awareness, can lower viewers' self-perception and body satisfaction and lead to a *contrast effect*. However, when taking place within the scope of viewers' attention and awareness, an *explicit social comparison* will allow viewers' to engage in conscious efforts to boost their own self-esteem through counter-argument. Such an explicit social comparison, therefore, will lead to more positive self-perceptions and enhanced body satisfaction, resulting in an *assimilation effect*. We tested these propositions with three experiments.

The first experiment explored the role of mode of exposure to idealized images in triggering differential social comparison processes. To induce either implicit or explicit social comparison, participants were asked to engage in one of two tasks while being exposed to idealized images. Participants in the implicit social comparison group were led to believe that they were participating in a study that examined peoples' natural intuition about the types of sunglasses that are most suitable for different face shapes. In contrast, participants in the explicit social comparison group were asked to rate the attractiveness of each of the women. In line with our predictions, participants in the implicit social comparison group reported lower evaluations of their weight related body traits compared to participants in the explicit social comparison group.

To further explore this finding, our goal of Experiment 2 was to examine whether participants' evaluations of their weight related body traits could be modified by inducing either a positive or negative interpretive frame. We expected that altering the interpretive frame would not influence the participants in the explicit social comparison group since they would be able shield themselves from the impact of the interpretive frame by being consciously aware of the attractiveness of the idealized female images. In contrast, we expected that the participants in the implicit social comparison group would be

influenced by the interpretive frame, leading to a contrast effect when the interpretive frame is positive, and an attenuated contrast effect when the interpretive frame is negative.

In order to alter the interpretive frame, we presented participants with a priming task immediately after exposure to the idealized female images and prior to participants' completion of the BES. To activate either a positive or negative interpretive frame participants were presented with a series of scrambled sentences (based on sentences created by Bargh, Chen & Burrows, 1996). For the participants receiving the positive sentences, some of the scrambled sentences contained a key word complimentary to the thin female ideal (e.g. slim, hot). Similarly, for the participants receiving the negative sentences, some of the scrambled sentences contained a word disapproving of thin the female ideal (e.g. fake, bony). In line with our expectations, we found that participants in the explicit social comparison group were unaffected by the interpretive frame. However, participants in the implicit social comparison group were affected by the interpretive frame. For the participants in the implicit social comparison group, their self-perception was more negative when the content of the priming task biases them to interpret characteristics of the idealized females positively than when the priming task encourages a more negative interpretive frame. Thus, our results suggest that after explicit exposure to idealized female images, participants are able to insulate themselves from the negative impact of these idealized female images, whereas after implicit exposure participants are not able to shield themselves from negative impact of these female images, but are influenced by inducing either a positive or negative interpretive frame.

To account for the differences found for the participants in the explicit and implicit social comparison groups in Experiments 1 and 2 we speculated that participants in explicit social comparison are more aware of the upward social comparison process and tend to engage in counter-arguments to insulate themselves from the negative impact of exposure to a highly attractive comparison target. However, engaging in ego-protective strategies during the explicit social comparison process is cognitively demanding, therefore, such explicit social comparison processes requires more cognitive resources than social comparison processes that are implicit. To test this notion, our third experiment was conducted to mainly examine the role of the availability of cognitive resources in modulating the impact of exposure to idealized female images on participants' self-evaluations. Supporting our predictions, participants found the sunglasses task more cognitively demanding, which, consequently, meant that they had fewer cognitive resources available to engage in conscious strategies and counter-arguments that would help in protecting them from the negative consequences of exposure to idealized female images.

Altogether, these three experiments contribute to our understanding of the impact of social comparison processes on self evaluations. Experiments 1 and 2 provide evidence for the role that mode of exposure plays as an important moderator of the consequences of upward social comparison. Furthermore, Experiment 3 provides support for the integral role that cognitive resources plays in combating the negative impacts of being exposed to idealized female images. Surprisingly, our results indicate that participants were best equipped to deal with exposure to idealized images when this exposure was explicit. Thus, rather counterintuitively, we have found that women may be most susceptible to the negative consequences of exposure to idealized female images precisely when they are not focusing on their level of attractiveness.

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SCHADENFREUDE AS A CONSUMPTION-RELATED EMOTION: FEELING HAPPINESS ABOUT THE DOWNFALL OF ANOTHER'S PRODUCT

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ABSTRACT

Consumers envy the possessions of others. Some consumers feel envy more deeply and persistently than others, but there is liberal reason to presume, for instance, that consumers routinely respond to others' status symbols with envy. Status symbol induced envy (a focus of this paper) is usually provoked by an upward social comparison, that following a dramatic turn of events involving the status symbol's failure, may become a downward comparison evoking joy (i.e., *schadenfreude*, a German term meaning joy in the suffering of others). Employing social comparison theory (e.g., Festinger, 1954; Suls & Wheeler, 2000) as our conceptual framework, we focus on how these emotions unfold in a status consumption context.

Does envy lead directly to *schadenfreude*, or are there more complex emotional processes involving other discreet emotions, such as anger and injustice? Previous work on envy suggests that this aversive emotion may quickly prompt the experience of other negative emotions, such as anger. When an individual feels envy, perhaps in response to seeing someone with a desired status symbol, he or she experiences a self-focused feeling of inferiority. Such affect poses a threat to the self, and hence, a defensive response is the likely outcome. One defensive response is to turn the focus of the negative affect outward--towards the target of the social comparison (Smith & Kim, 2007). This may be achieved if the individual comes to believe the target's advantages are unjustified, undeserved, or simply unfair. Accompanying such judgments may be a range of hostile feelings such as anger and resentment. These hostile emotions can serve to relieve the painfulness of the preceding feelings of inferiority, and might encourage *schadenfreude* when observing a subsequent downfall involving the envied target (Smith & Kim, 2007).

Central objectives of this research are to: 1) demonstrate that *schadenfreude* is part of the emotional experience in a status consumption context, and 2) investigate the specific emotional antecedents of *schadenfreude* felt after witnessing a product failure. We also seek to provide evidence for the conceptualized mediation of the envy-*schadenfreude* relation by hostility, as outlined above.

Study 1

199 participants were randomly assigned to one of two conditions in a between-subjects design varying car type: high status/Mercedes CLK vs. lower status/Ford Focus. The study involved first having participants rate their emotions (e.g., happiness, envy) about a detailed scenario involving a similar other (the target of social comparison) with a new car. Then, participants learn that the target's new car has broken down in a public setting, in front of the target's friends (i.e., the product failure). Next, feelings of *schadenfreude* are measured along with individual difference variables recorded for use

as controls: Dispositional Envy (Smith et al., 1999) and Social Desirability (Ballard, Crino, & Rubenfeld, 1988).

First, regression analysis including the controls confirmed a significant main effect of car status on schadenfreude; participants experienced more schadenfreude in the high-status car condition. There was also a significant main effect of gender (men felt more schadenfreude than women), but no gender \times car status interaction. Second, AMOS (7.0) was employed to explore the causal linkages between our variables. The structural model for schadenfreude exhibited excellent fit; $CFI = .99$, $RMSEA = .03$ and $\chi^2(46) = 55$, $p = .17$. Examination of the structural paths revealed envy significantly predicted hostility. Hostility had a strong relation to schadenfreude, but when controlling for hostility envy did not predict schadenfreude. This set of relations suggested that the effect of envy on schadenfreude was fully mediated by hostility.

Study one demonstrated that schadenfreude is a part of the emotional experience of consumption, and can be prompted by witnessing the failure of an envied other's status product. Schadenfreude was enhanced when the car that failed was high versus low status. Consistent with the conceptual framework outlined by Smith and Kim (2007), hostility fully mediated the relationship between envy and schadenfreude.

Study 2

Because envy can arise from different sources in a status consumption context, study two delved more deeply into the emotions that lead to schadenfreude, examining two plausible sources of envy in a status consumption context: 1) envy of the status symbol, and 2) envy of the social attention the target receives because of the status symbol. Study two uniformly employed a high-status product, and also explored whether schadenfreude would be emphasized if the target was flaunting.

199 participants were randomly assigned to one of two conditions of a between-subjects design, where a similar target who owned a new Porsche Boxter (gift from a wealthy relative) was described as either flaunting his new high-status car, or behaving modestly. Participants first rated their initial emotions (e.g., envy of the car, happiness). Then participants were instructed to imagine that the target's car breaks down under circumstances conceptually similar to study one. Last, participants recorded emotions reflective of the dependent measure schadenfreude and completed the study one control variable scales.

Tested via regression including the two controls, there was a significant effect of flaunting on schadenfreude; participants experienced more schadenfreude in the flaunting condition. There was no effect of gender on schadenfreude. AMOS (7.0) was used to test the structural model, and it exhibited excellent fit; $CFI = .98$, $RMSEA = .05$ and $\chi^2(64) = 100.9$, $p = .002$. Envy of the attention the target receives significantly predicted hostility, but envy of the car did not. Hostility had a strong relation to schadenfreude, but when controlling for hostility neither envy of the car nor envy of the attention predicted schadenfreude, consistent with the effect of envy of attention on schadenfreude being fully mediated by hostility.

Study two replicated the general pattern of findings in study one, with hostility mediating the relationship between envy and schadenfreude. Of two possible sources of envy, envy of the attention the car affords the owner was a stronger predictor, relative to envy of the car itself, of schadenfreude. Thus, it was the social attention prompted by the status symbol that primarily contributed to feelings of

hostility, and subsequently, the schadenfreude associated with the downfall of the target's product.

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HOW MARKETING ACTIONS AFFECT EXPERIENCED UTILITY

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ABSTRACT

A sizable number of marketing actions attempt to influence the pleasure we derive from consuming a good – or in other words experienced utility (EU) - by changing properties of products, such as prices, that are unrelated to their inherent product qualities or to the consumer's motivational state. Several studies have provided empirical evidence that marketing actions can successfully create expectations, which built mental concepts such as perceived brand name-quality or perceived price-quality relations and which in turn, affect reported and behavioral outcomes after the consumption experience (reported EU). Consider, for example, the experience of an individual sampling a wine for which he has information about its retail price. Since perceptions of quality are known to be positively correlated with price (Rao & Monroe, 1989), the individual is likely to believe that a more expensive wine is likely to taste better. In this context, previous research could show that, for example, knowledge of a beer's ingredients and brand name can affect reported taste preferences (Lee, Frederick, & Ariely, 2006)((Allison & Uhl, 1964), and the reported enjoyment of a film is influenced by expectations about its quality (Klaaren, Hodges, & Wilson, 1994). Even more intriguingly, changing the price at which an energy drink is purchased can influence the ability to solve puzzles (Shiv, Carmon, & Ariely, 2005).

However, little is known whether conceptual information act “only” on a post-cognitive level, i.e. on the reported EU, or whether they affect reported EU through a modulation of the real-time experience of consuming a good, i.e. actual EU. In other words do people only think that they like the product more (i.e. reported EU) or do they actually feel that they like it more (actual EU)? “Actual” experienced utility has been difficult to capture until recently, but today non-invasive brain imaging techniques such as functional magnetic resonance imaging (fMRI) allow the on-line measure of how incoming signals such as sensory inputs while sampling a drink are interpreted in the brain.

In this paper we propose a novel mechanism through which conceptual information can affect consumer decision-making. We hypothesized that changes in the price of a product would influence neural computations representing actual EU and through it reported EU. This hypothesis is based on previous findings showing that affective expectations influence the appraisals that are made about hedonic experiences, and through this the actual quality of experiences (Lee et al., 2006), (Wager, 2005) and (Wilson & Klaaren, 1992). Our hypothesis goes beyond this by stipulating that the higher taste expectations would lead to an *actual* higher EU from consuming the wine.

To investigate the impact of price on actual EU we scanned human subject brains ($N=20$, 11 males, ages 21-30, mean age: 24.5) using fMRI while they sampled different wines and a neutral water solution. We chose wine as a stimulus because it is relatively easy to administer inside the scanner using computerized pumps, it induces a pleasurable flavor sensation in most subjects, and it varies widely in quality and retail price. Subjects were told that they were sampling five different Cabernet Sauvignons, that the purpose of the experiment was to study the effect of degustation time on perceived flavors, and

that the different wines will be identified by their retail prices. Unbeknown to the subjects, the critical manipulation was that there were only three different wines, and two of them (wines 1 and 2) were administered twice, once identified at a high price and once identified at a low price. For example, wine 2 was presented half of the time at \$90, its retail price, and half of the time at \$10. Thus, the task consisted of 6 trial types: \$5 wine (wine 1), \$10 wine (wine 2), \$35 wine (wine 3), \$45 wine (wine 1), \$90 wine (wine 2), and neutral solution. The wines were administered in random order and simultaneously with the appearance of the price cue. Subjects were asked to focus on the flavor of the wine during the degustation period and entered EU ratings or taste intensity ratings in every other trial.

We found that the reported price of the wines markedly affected reported EU and, more importantly, it also modulated neural computations of EU made in the medial orbitofrontal cortex (mOFC) and the rostral anterior cingulate cortex (rACC). In other words, our results show that the same wine administered at high price vs. at a low price does not only increase the reported EU, but it also affects actual EU, i.e. the way the gustatory signal is evaluated in the brain.

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**LIKING LIES IN THE EYES OF THE SENSE-HOLDER: FORM-FUNCTION UNITY,
DISUNITY, AND PRODUCT LIKING**

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ABSTRACT

This research explores the impact of “form-function unity” on product liking. Based on the proposal that consumers like products that “make sense” to them, we demonstrate that: (1) unified products are preferred over disunified products (2) liking of unified (vs. disunified) products is moderated by product knowledge and involvement.

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**JUST DO IT YOURSELF!
A THREE-FACTOR MODEL OF CONSUMER PREFERENCE
FOR SELF-DESIGNED PRODUCTS**

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ABSTRACT

In this research, we explore how customers respond to mass customization. In two studies, 356 Penn students self-designed a Nike iD shoe by selecting a color from a palette of colors for each of the seven shoe components. We subsequently measured their responses to their self-design embedded in a set of 30 shoes, including those designed by other students and those designed by Nike's professional designers. We first test several empirical hypotheses about self-design. We then propose a model of consumer preference for self-designed products and test several theoretical hypotheses derived from the model.

Self-design is a form of mass customization in which consumers choose a large portion of the technical specifications of the product. In order to “work,” a self-designed product must capture significant differences in consumer preferences that are enduring and recognizable when the self-designed product is delivered to the buyer. More formally, we test the following empirical hypotheses:

H1: Self-designed products exhibit a very high level of design heterogeneity.

H2: Consumers should prefer their self-design over other designs, and this relative preference should be enduring over time.

H3: Customers should remember their self-designed products.

If self-design works, the next question is “why.” We propose a three-factor model of preference that includes effects of outcome accuracy, mere authorship, and process affect.

Outcome Accuracy

Outcome accuracy is the extent to which the self-design process maximizes an individual's preexisting and enduring preferences. In this case, preferences are for shoe color combinations. First, a review of color research suggests that individuals have stable preferences for colors and color combinations. Some of these preferences are gender specific. Second, given that the Nike iD configurator operates within an enormous solution space (with 60,374,160 possible designs), we assume that individuals make an accuracy-effort tradeoff such that they engage in an effortful but not exhaustive search of the solution space to approximate their preexisting ideal point. Third, because individuals have stable color preferences, these preferences should guide the color decisions made during both self-design creation and subsequent self-design evaluations.

Outcome accuracy thus makes three predications. First, it predicts a “self-design effect” such that when individuals evaluate a set of shoes including their self-design, they should prefer the self-design most (because it has the highest outcome accuracy). Second, this relative preference should be stable over time. Third, a “gender-match effect” should occur such that men (women) should prefer shoes self-designed by other men (women) over those self-designed by other women (men).

Mere Authorship

Mere authorship is the extent to which individuals favorably evaluate a shoe that is believed to have been self-designed, regardless of the validity of that belief. It is consistent with the view that individuals often construct on-the-spot attitudes from information that happens to be accessible. For example, individuals have been found to infer attitudes from their own behavior either because they treat their behavior as information relevant to the attitudinal judgment or because they prefer a cognitive consistency among their beliefs, attitudes, and behavior (see Olson and Stone 2005 for a review). In light of this view, we argue that mere authorship is a response bias that occurs during self-design evaluation such that individuals construct their preference based on a “because this design is made by me, I must like it” heuristic.

Mere authorship makes four predications. First, if a shoe is self-designed and recognized as a self-design, the preference for it should be high (i.e., a self-design effect when memory is accurate). Second, if a shoe is self-designed but not recognized as a self-design (“missed target”), the preference for it should be low. Third, if a shoe is not self-designed but is mistakenly recognized as a self-design (“false alarm”), the preference for it should be high. Fourth, as the delay between self-design creation and self-design evaluation increases, the memory for the self-design behavior decays thus the occurrence of missed targets and false alarms increases. Mere authorship hence predicts a “delay effect” on the preference for the self-design, and that this delay effect is mediated by the self-design recognition.

Process Affect

Process affect is the extent to which the self-design process generates positive emotions that are attached to the self-designed product. Specifically, because self-design configurators such as Nike iD are made to be exciting, we propose that self-design process generates sensory affect (i.e., affect elicited in response to sensory simulation; see Schimmack and Crites 2005 for a review). We further propose that two types of sensory affect, evaluative conditioning and mere exposure, are likely to arise from the self-design experience. First, because the self-design interface is usually an exciting visual environment, emotions elicited by various visual stimuli contained in this environment can be transferred to the self-designed product via an associative path. Second, because during self-design creation individuals customize product components in a one-by-one, back-and-forth, and self-paced fashion, they can gain a certain level of familiarity with the self-designed product. This enhanced exposure can subsequently lead to a feeling of processing fluency for the self-designed product in the evaluation phase, which renders the self-design more attractive than other designs due to the mere exposure effect.

Process affect makes three predications. First, it predicts a self-design effect (because the emotions generated from the self-design experience are uniquely attached to the self-designed product). Second, it predicts a delay effect because the existing findings in the literature show that both evaluative conditioning and mere exposure decay over time. Finally, because evaluative conditioning takes place without awareness and mere exposure occurs even when individuals do not recall previous incidences of exposure, process affect predicts that the delay effect on self-design preference is not mediated by self-design recognition.

Assuming all three factors influence evaluations, three theoretical hypotheses can be derived from this model:

H4: There should be a self-design effect on preference for a set of customized products.

H5: There should be a gender-match effect on preference for a set of customized products.

H6: There should be a delay effect on the preference for the self-designed product, and this delay effect should be partially mediated by self-design recognition.

Two studies were conducted, each containing two phases. In the phase one, participants created a self-design in either the original online format offered by Nike iD (in study 1) or an analogous paper-and-pencil format (in study 2). The paper-and-pencil format was constructed such that process affect should certainly be reduced, outcome accuracy might be reduced, and mere authorship should be unchanged. In the phase two, participants performed an unexpected evaluation task either one week or one month after the self-design creation. The delay manipulation can provide needed variations in preference for us to test for the three factors. Data from these two studies support all our hypotheses. By demonstrating that self-design works and that outcome accuracy, mere authorship, and process affect constitute consumers' preference for their self-designed products, our work contributes to the mass customization, product design, and consumer preference literatures.

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**SIZE DOES MATTER:
THE IMPACT OF PRODUCT CATEGORY CONSTRUCTION AND PERCEPTION**

Special Session Chair:
Kelly Goldsmith, Yale University

Discussion Leader:
Susan Broniarczyk, The University of Texas at Austin

**FROM SMALL SLICE TO BIG PICTURE: DISPLAY BREADTH AND CONSUMER
PERCEPTIONS OF ASSORTMENT AND VARIETY**

Joseph K. Goodman, University of South Carolina
Cait Poyner, University of South Carolina

ABSTRACT

Certain cues influence consumers' perceptions of both overall store variety and within-category variety (commonly called "assortment"; Broniarczyk, McAlister, and Hoyer 1998; Hoch, Bradlow, and Wansink 1999). Variety perceptions are influenced by schema-display congruency (Morales et al. 2005), assortment structure and symmetry (Hoch et al. 1999, Kahn and Wansink 2004), the availability of particular items in an assortment (Broniarczyk et al. 1998), and relationships between product attributes (Hoch et al. 1999; Van Herpen and Pieters 2002). What other factors may affect consumers' perceptions of assortment within a target product category, or across the entire store? We explore how the breadth of a display adjacent to a target product category can drive perceived within-category assortment and store variety.

Across three studies, we find that range effects (Parducci 1968; Yeung and Soman 2005) driven by local display breadth drive perceptions of within-category assortment. We manipulated the display breadth surrounding a target category (i.e., handsoap) with five product categories that have either high, moderate, or low levels of similarity to the target category. After participants made a choice in the target category, participants rated the within-category assortment of the focal category and the variety of the store. The results show that as display breadth (i.e., less similar product categories) adjacent to a target category increases, consumers' within-category assortment perceptions decrease. In turn, this decrease leads to a decrease in overall store variety inferences. In Study 2 and 3 we show a key moderating factor: the number of discrete purchases made by consumers. When making a single purchase, greater display breadth leads to lower within-category assortment and lower store variety. However, when making multiple purchases across different displays, greater display breadth no longer drives within-category assortment perceptions; instead, the display directly drives store variety. These relationships hold when breadth of a display is defined thematically, that is, in terms of relational rather than taxonomic similarity.

CONSTRUAL LEVEL AND PERCEIVED VARIETY

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ABSTRACT

Perceptions of variety are *not* solely determined by the number and types of items in an assortment. Variety judgments rely on heuristic cues such as whether the favorite is present, or the amount of physical space the set occupies (Broniarczyk, Hoyer, and McAlister 1998). Variety perceptions also depend on how easily people can notice the variety. Perceived variety increases if the items are arranged to make the different types more apparent (Kahn and Wansink 2004), or organized to match how people naturally categorize the items (Morales et al. 2005).

This prior work examines how variety perceptions depend on the composition and organization of items. We explore instead how the specificity of consumers' mindsets affects variety perceptions and expected satiation. Specifically, we examine how encouraging a narrow or broad mindset changes how consumers construe later consumption episodes. We suggest that consumers in an abstract mindset will perceive one general category and thus perceive more variety under that category. Consumers in concrete mindsets however are more likely to categorize the assortment in smaller subgroups, decreasing the perceived variety of categories.

Two experiments support our predictions. We asked people to first sort a list of household items into either 3 or 9 different categories to encourage a broader or narrower mindset respectively. In a second, supposedly unrelated task, people rated the variety of snacks eaten in a given scenario. People perceived greater variety in the snacks when encouraged to adopt a broad versus a narrow mindset. This effect remains even if people are prompted to suggest missing categories in the first task, or ratings of satiation precede the variety judgment. These results introduce another factor (specificity of mindset) that affects variety judgments. More importantly though, they also suggest that perceived variety depends on how consumers construe the categories in a given setting.

THE ROLE OF ABSTRACT AND CONCRETE MINDSETS ON THE PURCHASE OF ADJACENT PRODUCTS

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ABSTRACT

This research explores how a consumer's mindset (abstract vs. concrete) will influence the number of items purchased from a large set of adjacent products. Having an abstract mindset causes individuals to form higher-level representations (Trope & Liberman, 2003). To that end, we argue that an abstract mindset will cause consumers to perceive adjacent products in terms of their relationship to

higher order goals (e.g., oral care). Conversely, a concrete mindset will shift focus to the lower level sub-goals each product can attain (e.g., breath freshening). Based on the differential activation of the higher order goal, we posit that an abstract mindset will increase the overall number of adjacent products purchased, as these products will be viewed as additional means to attain their broader goal. Under a concrete mindset, less will be purchased as fewer items will be necessary for lower level goal attainment.

This hypothesis is tested in four studies. In Studies 1 and 2 we test for the effect of mindset on sequential and simultaneous choices made from large sets of adjacent products. In support of our hypothesis, participants with an abstract mindset made significantly more adjacent product purchases. In Study 3 we replicate this pattern of results and identify the causal mechanism behind the effect of mindset on purchase as an underlying shift in regulatory focus. Finally in Study 4, we manipulate regulatory focus directly and find further support for this proposed process.

As big brands are ever expanding the number of products they offer within their parent product category (e.g., oral care), consumers may find themselves confronting an increasing number of products in every aisle which, though different in their specific functions, all service the same higher-order goal. Despite the fact that many (if not most) consumer choices are made in this type of purchase scenario, little empirical research to date has examined consumer behavior in the context of these large sets of adjacent products. As such, we believe this work addresses a novel problem with both theoretical and practical implications.

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THE VARIOUS EFFECTS OF VARIABILITY ON CONSUMER DECISION-MAKING

Special Session Chair:
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RESPONSE TO VARIANCE IN THE OPINIONS OF OTHERS: PREFERABLE IN POSITIVE DOMAINS, AVERSIVE IN NEGATIVE DOMAINS

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ABSTRACT

Individuals faced with some decision (should I see Movie A or Movie B?) frequently assess social consensus as an input into that choice (how much do people like Movie A and Movie B?). One means of assessing this consensus is simply to count the number of people who select each option (e.g., the number of people in line for each movie); indeed, others' preferences are usually observed as discrete choices (he chose Movie A, she chose Movie B). Discrete choices, however, tell decision-makers little about the *relative* preferences of individuals for the two movies (do people rate A much higher than B, or only slightly), and even less about the *distribution* of those ratings: Movies A and B may have the same mean rating (say, 6 out of 10), but while Movie A has very low variance (all viewers rate it a 6), Movie B has very high variance (viewers rate it anywhere from 2 to 10). Choosing a movie with high variance carries both risk (I might hate it) and reward (I might love it), while choosing the low variance option offers a surer bet (I will like it). Which will decision-makers prefer, experiences with higher or lower variance? Normatively, which *should* they prefer? Given the proliferation of websites providing user ratings for diverse goods and services making variance information readily available to decision makers, understanding how individuals integrate these continuous – and sometimes conflicting – ratings of others into their own preferences is an important aspect of understanding preference formation more generally.

The studies in the present research explore preferences for – and aversion to – variance in choices. In a first study, using data from a major movie rating website, we show that – controlling for mean ratings and total number of ratings – movies with higher variance have greater commercial success, as measured by an improvement in box office revenues after opening weekend. We also demonstrate preferences for high variance movies in a laboratory study: When we manipulated both mean and variance information for several movies, participants reported a greater likelihood of seeing high variance movies and were willing to pay more to see them (again controlling for mean rating); in fact this preference for variance was so strong that, in some cases, participants preferred movies with a lower mean but higher variance to movies with a higher mean rating. This preference for variance holds across many positive domains: some two-thirds of participants chose a higher variance jelly bean over a

bean with the same mean but lower variance, and this preference also held when participants chose between desserts and potential dating partners. We next explored boundary conditions for this preference for variance. When choosing between options in negative domains – such as “Fear Factor” foods, or different dental procedures, people demonstrate an aversion to variance, choosing instead the “safer” low variance options. In fact, aversion to and preference for variance change even within the same product category: Participants prefer high variance comedies, but low variance documentaries, and prefer high variance when picking a movie for themselves but low variance when making a recommendation to their boss or professor. Thus when the downside is higher – having to undergo painful dental surgery or be accountable for a movie selection for one’s employer – individuals seem to switch from seeking variance to avoiding it.

Taken together, these results suggest risk-seeking in positive domains of experience (movies, desserts) and risk-avoidance in negative domains of experience (dental procedures, “Fear Factor” foods). Why might this be so? We conducted a study in which we asked participants to recall instances of past experiences in positive and negative domains (e.g., “list the three best foods you have eaten” or “list the three worst foods you have eaten”) and found that they are likely to recall the *most* positive or negative experiences – those at the representative endpoints – in each category first. The salience of very good outcomes in positive domains and very bad outcomes in negative domains may lead to overweighting of their probability of occurrence when choosing high variance options. Unlike with monetary gambles, then, individual reference points for experiences and products do not necessarily fall at “null” outcomes with no gain or loss, but rather at more salient “extreme” outcomes. This salience of extreme cases leads to risk-seeking in positive domains (as individuals expect they will attain very favorable outcomes), but risk-aversion in negative domains (as individuals are motivated to avoid very unfavorable outcomes). While we demonstrate the robustness of this effect across 17 choice domains, we also present evidence that it is moderated by factors such as regulatory focus and age.

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NON-COMPATIBILITY EFFECTS IN CONSUMER RECOMMENDATIONS: HOW VARIANCE LEADS TO PREFERENCE REVERSALS

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ABSTRACT

An increasing number of consumers uses the internet rather than brick and mortar stores for their purchase decisions. One important difference between traditional stores and virtual marketplaces is that the latter do not allow consumers to inspect directly the physical properties of goods and commodities. This lack of immediate experience triggers uncertainty about the overall quality of the products.

One way to reduce this uncertainty is to allow consumers to share their experiences in the form of reviews and recommendations. Indeed, many of the leading internet marketplaces (e.g., Amazon.com, EPionions.com) offer consumers the opportunity to publicize their experiences in the form of verbal

statements and numerical ratings. Verbal statements usually are free-format short essays, whereas numerical ratings provide a complementary summary in the form of quantitative ratings.

These two different information formats, verbal and numerical, need to be integrated by consumers to adequately aggregate the available information. Prior research on the internal consistency of preferences suggests that such integration might often be less than optimal (Hsee, Zhang and Chen, 2004). One explanation for such preference reversals is based on the compatibility between stimulus and response. According to the compatibility hypothesis (Fitts and Seeger, 1953), “the weight of any input component is enhanced by its compatibility with the output” (Tversky, Sattath and Slovic, 1988, p. 376). We extend this line of research by studying compatibility effects in information aggregation across different information formats (verbal and numerical). We predict higher rates of preference reversals when the stimulus format (verbal or numerical) does not match the response format (verbal or numerical). For example, we expect that if decision makers are presented with recommendations in the form of verbal statements, the rate of preference reversals will be higher (lower) when they are asked to provide a numerical (verbal) summary of these recommendations.

We used a two-stage design to test this conjecture. On stage 1, participants rated the attractiveness of 12 fictitious products. This allowed us to derive an individual ranking of the products. For each product, participants saw 10 recommendations that were presented either as brief verbal statements (e.g., “this product was excellent” or “this product was average”), or as numerical ratings on a 5-point scale (1 to 5 stars). The verbal statements were pre-tested, and rated by independent raters, to match the 5-point numerical scale. We also varied the variance (low or high) and the mean (low, intermediate, or high) of the recommendations. Each of the 12 products was described by a unique combination of the presentation mode, the variance, and the mean of the recommendations.

After a 5-minute filler task, subjects entered stage 2 of the experiment. They were shown pairs of the products as used on stage 1. For each product subjects saw the corresponding 10 recommendations. Subjects were asked to provide a summary evaluation of each of the two products. The evaluation was either in a matching or a non-matching format. For instance, if the products were accompanied by verbal recommendations, subjects in the matching-format condition were asked to provide a summary evaluation of the products in the form of verbal statements (they were shown 5 pre-tested verbal statements) and asked to summarize the product. The options ranged from “this product was very bad” to “this product was excellent.” In the non-matching condition, subjects were asked to click on a 5-point rating scale (1 to 5 stars). After summarizing each of the two products, subjects had to pick their preferred one. Comparing the evaluations of the rankings derived from stage 1 and the choices of stage 2 allowed us to study the internal consistency of preferences for each individual.

In study 1 we employed a 2 (stimulus mode: verbal or numerical format) x 2 (response mode: matching or non-matching format) between-subjects design to study how preferences are affected by the compatibility of the provided information. Our results confirmed that preference reversals are significantly higher for non-matching formats as compared to matching formats. Preference reversals were particularly pronounced for high variance products. In study 2, we presented subjects with mixed stimulus pairs, i.e., one product was presented verbally, the other numerically. Subjects preferred the product that shared the same format as the response mode: If the response mode was verbal (numerical), a higher number of subjects preferred the product that was also presented verbally (numerically). Finally, study 3 allowed participants to select the response mode, verbal or numerical, by themselves. The majority of subjects preferred the numerical response mode, even in cases in which the products were presented verbally. This led to an increase in preference reversals, suggesting that subjects did

not anticipate the importance of compatibility between the stimulus and response format on preference consistency.

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IS VARIETY THE SPICE OF LIFE? IT ALL DEPENDS ON THE RATE OF CONSUMPTION

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ABSTRACT

It is well established that repeated exposure to any stimulus generally leads to adaptation (Helson 1947). Sometimes this repetition leads to sensitization (Zajonc 1980), while other times it leads to satiation (Frederick and Loewenstein 1999). A major limitation of the existing literature is that the relationship between adaptation and the rate of exposure to a stimulus is unclear. For example, Kahneman and Snell (1992) found that over the course of a week, research participants increased their liking of bland yogurt, but decreased their liking of their favorite song.

One possible explanation for this discrepancy can be that the song was already at the ceiling of possible appraisal and its liking could only go down, whereas the yogurt, while initially disliked, grew on the participants and eventually become somewhat positive. While this contention might explain the different directions of change in enjoyment, it is agnostic to the effect of rate of exposure. Would spacing out exposures of a novel stimulus (the yogurt) slow the increase in appraisal? Would immediate repeated exposure of a familiar stimulus (the favorite song) quicken the satiation? At present, there is little understanding of what would occur. As such, the present research attempts to clarify the nature of the relationship between rate and satiation.

Experiment 1 tests the hypothesis that rate of exposure to a hedonic stimulus moderates the effect of satiation. Specifically, we predict that when the interval between exposures is long, satiation is slower than when the interval is short. While the actual rate of satiation should vary with the interval between exposures, it is unclear that participants will accurately predict how they will satiate.

Consumers are often inaccurate when it comes to predicting their future levels of enjoyment as they relate to affectively rich stimuli. It is not our contention that consumers are completely agnostic to the rate of consumption, but rather that, because repetition is generally considered a negative experience (Ratner and Kahn 2002), consumers will hold a strong lay belief that any repetition will be extremely aversive. As such, we propose that consumers will overstate the effect of satiation, regardless of the rate of exposures.

Participants in experiment 1 listened to a song 10 times either once per day (spaced consumption) or in one sitting (immediate consumption). After each trial participants reported how much they enjoyed the song. We found that when the inter-consumption interval was large, participants did not satiate to the song, but when the interval was short, participants ratings of the song decreased drastically with each subsequent trial. Prior to their listening experience, all participants gave predictions (forecasts) of what their listening experience would be like over time. As predicted, participants significantly overstated how much they would satiate, regardless of actual rate of consumption.

Simonson (1990) demonstrated that variety is preferred in prospect but not in actuality. Later, Read and Loewenstein (1995) showed that one of the primary drivers of this *diversification bias* is the process of time contraction. They claimed that because people have a difficult time imagining a long inter-consumption interval they make their decisions about repeated consumption with the false characterization of immediate consumption when, in reality, they will be consuming in a spaced out manner. We hypothesize that when the interval between consumption is large, people prefer low variety (as demonstrated in previous work), but when the interval is small, they prefer lots of variety.

Experiment 2 extended the results of our prior experiment into the domain of variety seeking behavior. Participants consumed three jelly beans either one right after the other or with three minute filler tasks in between each trial. They also either ate three of the same jelly bean or three different ones. We found that when consumption was spaced, participants preferred little variety but when consumption was immediate they preferred lots of variety. Experiment 3 tests if behavior mimics this pattern of preferences. Participants chose songs to listen to over 10 trials. They either chose their assortment all at once at the start of the experiment or before each trial. They also either listened to the songs one right after the other or with two minute filler tasks in between each song. Replicating past findings, when consumption was spaced, the diversification bias was present and participants chose more variety in prospect than in the experience. However, when consumption was immediate, participants chose the same amount of variety, regardless of choice paradigm.

Our research demonstrates that rate of exposure is a critical variable in both preference formation and choice behavior. Consumers need to consider how frequently they will be exposed to a stimulus (or a variety of stimuli) when making decisions for repeated consumption.

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WHEN DO CONSUMERS PREFER MORE CHOICE? MODERATING ROLE OF SELF-REGULATION

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ABSTRACT

Although it is clear that a large assortment has many benefits for both consumer and retailer, a number of researchers have questioned the effectiveness of the common retail strategy of competing by offering a wide variety of items within a category. They warn that providing consumers with vast number of alternatives to choose may backfire, potentially leading to lower confidence with choice and lower satisfaction with the outcome. Iyengar and Lepper (2000) report interesting results to this effect. 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.

In this paper, we present an alternative explanation for when assortment size leads to greater or lower satisfaction with the outcome and the choice experience. We propose that the impact of assortment size on choice is moderated by consumer's regulatory focus. 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 and the choice experience, 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.

According to regulatory focus theory (Higgins 1997, 1998), all goal-directed behavior is regulated by two distinct motivational systems: promotion and prevention. promotion focus individuals are motivated to eagerly ensure 'hits' and are more sensitive to errors of omission (i.e., missing the opportunity of a positive outcome). In contrast, individuals in a prevention focus are motivated to ensure 'correct rejections' and vigilantly avoid errors of commission (i.e., making a wrong decision) (Crowe and Higgins 1997; Higgins 1997, 1998; Higgins et al. 2001; Liberman et al. 1999). Having larger assortments to choose from provides a better chance of avoiding errors of omission (i.e., missing the opportunity of a positive outcome), as more options are likely to provide greater number of opportunities. Choosing from large assortments are likely to provide a better fit with promotion goal than prevention goal and the feeling of fit between the goal and the task can be transferred to evaluation of the chosen object (Avnet and Higgins 2006; Higgins, Idson, Freitas, Spiegel, and Molden 2003). Therefore, we expect that assortment size will be positively (negatively) related to evaluation of the chosen alternative for promotion-oriented (prevention-oriented) individuals.

However, past research has also demonstrated that having extensive assortments can increase the difficulty of the choice problem faced by the consumer with more options and attributes to process (Bettman, Luce, and Payne 1998) and can result in lower satisfaction with the choice. We, therefore, expect that for promotion-focus consumers the impact of assortment size on evaluation of the choice will be positive, but at a decreasing rate (nonlinear).

In Study 1, we manipulate regulatory focus and assortment size in a lab experiment and measure participants' evaluation of the choice task and the chosen alternative. Our findings do support a

nonlinear relationship between assortment size and evaluation of the chosen alternative and the choice task. We also find that this pattern is primarily driven by the promotion focus participants. In Study 2, we conduct a field study with shoppers at a large North American city. 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.

Our findings provide partial support for our predictions, however, provide interesting contrast to the predictions in the extant research. Our other findings from related research shed light on whether having within-brand assortment influences brand choice and brand perceptions and whether self-regulation moderates this relationship. 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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HELPING CONSUMERS SAVE MORE: CONSTRUAL LEVEL MODERATES THE IMPACT OF GOAL SPECIFICITY ON ANTICIPATED SUCCESS

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ABSTRACT

Savings are an important means of smoothing consumption as they act as buffer against income shocks and facilitate long-term planning. Although the importance of saving is indisputable, the falling personal saving rate and rising consumer debt in the United States suggest that consumers do not save enough (Bird et. al 1999; Soman and Cheema 2002). In this research, we examine how two factors: the specificity of the saving goal, and the level at which the goal is construed together affect consumers' anticipation of saving success and commitment to saving goals.

Theoretical Background and Hypotheses

Extensive research demonstrates that goal specificity is an important determinant of commitment. Specific (vs. nonspecific) goals decrease the likelihood of goal modification (Locke et al. 1989; Naylor and Ilgen 1984; Wright and Kacmar 1994) and may increase success. Another important determinant of commitment is the level at which the goal is represented (Vallacher and Wegner 1987), and construing goals at a high level often increases commitment (Fujita et al 2006). Therefore, consumers with high-(vs. low-) level of construal should anticipate higher success associated with their saving goal, and report being more committed to it.

Although the effects of goal specificity have been widely documented, it is not clear how goal specificity may affect perceived success across different construal levels. The literature on self-control suggests that clear rules are more likely to be followed than ambiguous rules (e.g., Ainslie 1992). However, specific plans are more time-consuming and more frequently lead to failure (Kirschenbaum et al 1981). The specificity of a goal can be interpreted as a signal of its importance if it is construed at a high level. As low-level construers are focused more on how to achieve a goal, specific goals may be perceived to be more rigid and difficult, leading to lower commitment, than non-specific goals. We predict that high-level construers will anticipate greater success with specific (vs. non-specific) goals than will low-level construers. Thus, the former will find specific goals to be more important, and will be more committed to them. We test these predictions across two studies.

Study 1

The aim of this study is to examine the effect of goal specificity on consumers' perceptions of saving success. 70 undergraduate students were assigned to one of the two cells of a (savings occasion: specific, nonspecific) single factor design. Half the participants were asked to list their most important reason for saving money (specific goal). The remaining participants were asked to list their three most important reasons for saving money (nonspecific goal). Next, we measured participants' anticipated success for their most important savings goal. They indicated how successful they would be in saving money for this goal, how likely it is that they will be able to save the desired amount, and how confident they are that they will be able to save the desired amount. Participants then indicated the amount of

savings required. Finally all participants estimated the actual amount they would be able to save. We calculated savings percentage by dividing this amount by the total amount required.

There was no difference across conditions in the savings amount. Participants in the specific goal condition reported significantly higher likelihood of success in saving for the most important reason ($M_{\text{specific}} = 5.64$) than those in the non-specific condition ($M_{\text{non-specific}} = 5.05$), $F(1, 68) = 5.19, p < .05$. The results on the *savings percentage* measure mirrored these findings.

Study 2

This study examined how specificity and construal level together affect anticipated saving success and commitment. We paid 102 non-student consumers to participate in a 2 (goal specificity: specific, non-specific) x 2 (construal level: low, high) between subjects study. Participants were asked to list a savings occasion in the next six months. Half the participants were asked to list the amount of money they would need to save for this occasion (specific goal), while the rest were not asked to do so (non-specific goal). Next, participants answered questions about their perceived success (how successful they would be in saving, how likely they would be to save the money, and how confident they were that they could save the money). They reported the percentage of the required amount they anticipated being able to save, and the importance of the saving occasion. We measured goal commitment with a 7-item scale (Wright and Kacmar 1994). All participants finally completed the BIF (Vallacher and Wegner 1989). We used this score to classify participants as low-level or high-level construers on the basis of a median split.

Overall, low-level construers anticipated lower success than high-level construers ($M_{\text{low-level}} = 4.88$ vs. $M_{\text{high-level}} = 5.60$), $F(1, 98) = 6.93, p = .01$. Among high-level construers, those with non-specific goals report significantly lower savings success ($M_{\text{non-specific}} = 5.06$) than those with specific saving goals ($M_{\text{specific}} = 6.21$), $F(1, 98) = 8.53, p < .005$. In contrast, among low-level construers, those with non-specific goals report marginally higher success ($M = 5.27$) than those with specific goals ($M = 4.53$), $F(1, 98) = 3.61, p < .10$; $F(1, 98) = 11.63, p < .001$ (see figure 1a). We have similar pattern of results on anticipated savings percentage (figure 1b), goal importance (figure 2a), and goal commitment measures (figure 2b).

Discussion

Consistent with prior literature, we find that consumers with specific (vs. non-specific) goals anticipate higher success. More importantly, we show that this effect is moderated by construal level. We contribute to the previous literature by identifying the conditions under which the well known effects of specificity manifest and when they can be reversed.

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CONSUMER CONVICTION AND THE INTENTION-BEHAVIOR LINK

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ABSTRACT

Marketing scholars and practitioners work with consumer judgmental data to test theories and make predictions of consumer behavior. In this agenda, behavioral intentions continue to receive attention from scholars and practitioners alike. The premise is simple: If you want to know what consumers will do, ask them. And then hope that they do what they say they are going to do. The empirical research on the intention-behavior link, however, has not produced unambiguous findings. Even as the intention-behavior literature witnesses an incessant increase in theories and models of intention and actual behavior (e.g., Ajzen and Fishbein 2005; Chandon, Morwitz and Reinartz 2005; Kalwani and Silk 1982; Morrison 1979; Tobin 1959), meta-analyses in marketing and psychology continue to indicate that stated intentions often do not translate to behavior (e.g., Albarracin et al. 2001; Kraus 1995; Sheppard, Hartwick and Warshaw 1988).

The translation of consumer sentiments (e.g., intentions, satisfaction) to behavior is of interest to a wide range of constituents. For instance, marketing practitioners focus on improving the predictive ability of self-report measures of consumer intentions to try/adopt a new product (e.g., ACNielsen BASES). Likewise, while many firms measure customer satisfaction with the anticipation that satisfaction will translate to loyalty, research is increasingly focusing on better utilization of satisfaction scores to predict customer loyalty (e.g., Mittal and Kamakura 2001). Observers of political markets are also interested in the intention-behavior link – predicting voter turnout and choice behavior hinges on pre-election voter intention data. In turn, in the public health arena, practitioners continue to be interested in enhancing the extent to which consumer intentions to exercise or eat healthy foods or fill prescriptions translates to actual behavior. Understanding the factors that may impact the translation of intention to behavior has implications from a social welfare perspective. For instance, in the US only 51% of patients follow their intended medication regimen for high blood pressure, and of patients who do adhere to their prescription 96% have control over their blood pressure versus 18% who do not adhere (*World Health Organization* 2003).

Recent research has made significant progress in understanding how intentions can be better used to predict behavior (Bemmar 1995; Jamieson and Bass 1989; Manski 1990; Mittal and Kamakura 2001), as well as in documenting the pitfalls of blindly using intentions to predict behavior (e.g., Chandon et al. 2005; Morwitz and Fitzsimons 2004; see Morwitz 2001 for an excellent review). For instance, Chandon et al. (2005; hereafter referred to as CMR) suggest that consumer intentions are particularly prone to measurement-induced self-generated validity effects. Building on self-generated validity theory (Feldman and Lynch 1988), CMR demonstrate that the very act of asking consumers to report on their behavioral intentions produces an overestimation of the intention-behavior link (see also Fitzsimons and Morwitz 1996; Morwitz and Fitzsimons 2004 for similar themes). In turn, CMR employ a two-stage model to assess the extent of upward bias in the intention-behavior link due to the measurement task, and find, across three field studies, that the intention-behavior link is about 58%

stronger among surveyed consumers relative to nonsurveyed consumers. This finding, that part of the predictive power of intentions is an artifact of measurement, undoubtedly has profound implications for social science researchers in general and managers in particular.

In this research, we suggest and demonstrate that the extent of the overestimation of the intention-behavior link by conventional research is shaped by interplay of latent intention conviction (i.e., the extent to which a consumer holds his intention with strength and certainty) and mere measurement. In particular, we build on emerging social science research that highlights the need to consider the uncertainty inherent in human judgments, in addition to the point estimates of judgments, when investigating the behavioral implications of these judgments (e.g., Chandrashekar et al. 2000, 2007; Petrocelli, Tormala, and Rucker 2007; Rotte et al. 2006; Rucker and Petty 2004; Rust et al. 1999).

In advancing the role of consumer conviction, we recognize that though mere measurement of intentions is likely to produce self-generated validity effects, it is important to account for the *heterogeneity in self-generated validity effects even among consumers whose intentions have been measured*. Because consumers evidence heterogeneity in spontaneous evaluative responding (Briñol and Petty 2004; Jarvis and Petty 1996), not all consumers are likely to evidence the same level of conviction in their intention sentiments. Consistent with research on ‘nonattitudes’ (Abelson 1988; Converse 1970), we conjecture and demonstrate that (a) intentions professed without much pre-measurement cognitive elaboration are likely to evidence lower conviction (i.e., higher uncertainty) relative to intentions that are the product of spontaneous pre-measurement cognitive elaboration, and (b) the conviction with which intentions are held influences the translation of stated intentions to actual behavior. Because we explicitly estimate the latent conviction underlying consumer intentions, we can contribute to the intention-behavior literature in two specific directions. First, we quantify the extent to which weakly-held, uncertainty-laden intentions are likely to be discarded. Second, we examine the interplay, and relative impacts, of consumer conviction and mere measurement on the intention-behavior link.

We then report findings from two field studies. The first study, set in a B2C context, employs data from an actual new product concept test, and the second study, set in a B2B context, employs actual adoption behavior data from both customers whose adoption intentions were measured and similar customers whose adoption intentions were not measured. The analyses across the two studies strongly support the theorizing, and demonstrate that consumers with low levels intention conviction evidence lower intention-behavior consistency, relative to consumers with high levels of conviction in their intentions. Study 2 further reveals that the impact of mere measurement on the intention-behavior link hinges on intention conviction. At high levels of conviction, measurement certainly *inflates* the intention-behavior link. However, as intention conviction decreases (i.e., as uncertainty increases), the impact of measurement begins to vanish and reverse. Indeed for 30% of the population, measurement *deflates* the intention-behavior link. On average, failure to account for intention conviction significantly overestimates the effect of measurement by over 75%.

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THE ROLE OF VISUAL AND VERBAL PROCESSING STRATEGIES IN CONSUMER JUDGMENT

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ABSTRACT

Advertisements and television commercials attempt to create a favorable impression of the product being advertised and what it would be like to own and use it. This is often done using both pictures and words. Consumers presumably take both types of information into account when forming an overall impression of the product. How consumers combine the implications of information in different modalities to form an overall product impression may depend on the processing strategy consumer employed.

We examined the effect of different information processing strategies on responses to visual and verbal product information. When both product pictures and verbal descriptions are presented, consumers who employ a verbal processing strategy (*verbalizers*) encode product information semantically regardless of the modality in which the features are described and perform a piecemeal integration of the implications of these features in a manner similar to that assumed by theories of information integration. In contrast, people who employ a visual processing strategy (*visualizers*) try to form a coherent mental image of the product that combines the implications of both pictured and verbally described attributes and base their evaluation of the product on this image. In this case, the picture of a product provides a visual frame into which the verbally-described features of the product are integrated and has an effect on evaluations over and above that of the favorableness of the particular features it portrays. This facilitation should be particularly evident when the type of product in question is unfamiliar and a mental image of it has not previously been formed and stored in memory.

This conceptualization also implies that a picture is not always beneficial. If the mental image of the features described by the verbal information about the product is incompatible with the mental image elicited by the product picture, a mental representation of the product as a whole may be difficult or impossible to form. In this case, the picture might interfere with the construction of an image-based impression of the product and have a negative influence on evaluations of it.

These possibilities have at least two implications. First, consumers who employ a visual processing strategy may evaluate a product less favorably if they find it difficult to form a mental image of the product on the basis of verbal descriptions of its features than if they find it easy. Second, these consumers may evaluate a product less favorably if the mental image they form on the basis of verbal descriptions of its attributes cannot be easily integrated into the mental image elicited by a picture that accompanies these descriptions. In contrast, the evaluations made by individuals who employ a verbal processing strategy should not be systematically affected by these factors. Three experiments examined these possibilities.

In our first experiment, we manipulated the familiarity of the product and the presence of a product picture. Participants were asked to read verbal information about an optical mouse (*familiar*

product conditions) or a trackball mouse (*unfamiliar product* conditions). In *picture* conditions, verbal descriptions were preceded by a picture of the product, whereas in *no-picture* conditions, verbal descriptions were presented alone. Participants' chronic differences in the accessibility of visual and verbal processing strategies were captured by the Style-of-Processing scale (Childers, Houston, and Heckler 1985).

As expected, pictures had little impact on participants' evaluations of the familiar product regardless of processing strategy that was used. In contrast, visualizers evaluated the unfamiliar product significantly less favorably than verbalizers in the absence of a picture. However, the presence of a picture increased visualizers' evaluations, whereas it did not influence verbalizers' evaluations.

In some instances, the mental image stimulated by a picture may be incompatible with the mental image that would be formed from the verbal information alone. In this case, the semantic features of the information might be integrated easily, but a single mental image that incorporates the implications of both types of information would be difficult or impossible to form. Consequently, visualizers are likely to be frustrated in their efforts and to evaluate the product unfavorably. In contrast, individuals who encode the information semantically should not encounter this difficulty. Two other experiments investigated these possibilities.

In one study, participants were shown a hotel ad containing both verbal descriptions and pictures. The verbal descriptions described either the interior of a hotel room or the exterior of the hotel. Pictures also showed either an inside view of a hotel room or the exterior of the building. In *compatible-image* conditions, each verbal description was preceded by a picture from the same part of the hotel (either the inside of a room or the exterior). In *incompatible-image* conditions, however, it was preceded by a picture from a different part of the hotel. As expected, visualizers liked the hotel more when the verbal descriptions are compatible with the pictures that preceded them than when they are not. Verbalizers' judgments, however, were unaffected by this factor.

In a third experiment, participants received herbal tea ads that varied systematically in terms of the type of situation elicited by the picture (either peaceful or anxiety-provoking, as conveyed by a sleeping woman or an angry bull), and the situation that was characterized in the verbal statement that accompanied it ("Herbal tea makes you calm" or "Herbal tea decreases anxiety"). Consistent with expectations, visualizers evaluated the ad more favorably if the picture and verbal description elicited compatible mental images than if they did not, and reported a greater inclination to purchase the product in the former case than the latter. Verbalizers' evaluations, on the other hand, were not significantly influenced by the compatibility of product imagery.

In sum, our research suggests that the processing strategy consumer employed when processing information in the advertisement has a significant influence on consumer judgment. A general conceptualization of how verbal and visual product information combines to influence judgments may need to take this contingency into account.

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IF IT'S DIFFICULT-TO-PRONOUNCE, IT MUST BE RISKY: PROCESSING FLUENCY AND RISK PERCEPTION

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ABSTRACT

Familiar stimuli are often perceived as less risky than unfamiliar ones (Slovic, 1987; Zajonc, 1980). This raises the possibility that variables that affect the perceived familiarity of a product will also affect perceptions of the risks associated with the product. One such variable is the fluency with which product information can be processed. Because familiar stimuli are usually processed more easily than unfamiliar ones (e.g., Haber & Hershenson, 1965; Jacoby & Dallas, 1981), people use the subjective experience of processing fluency in judging the familiarity of stimuli and environments (for a review see Schwarz, 2004). In cognitive research, this fluency-familiarity link gives rise to erroneous recognition judgments for perceptually easy-to-process stimuli (e.g., Whittlesea, Jacoby, & Girard, 1990) and to strong feelings of knowing (e.g., Koriat & Levy-Sadot, 2001).

In light of this fluency-familiarity link, we propose that difficult-to-process stimuli are perceived as less familiar and hence more hazardous than easy-to-process stimuli. The present studies test this prediction by using ease of pronunciation as a manipulation of fluency.

Study 1 examined people's hazard ratings of ostensible food additives that were described with easy-to-pronounce or difficult-to-pronounce names. We predicted and found that people perceived hard-to-pronounce substances ($M=4.12$, $SD=.78$) as more harmful than easy-to-pronounce substances ($M=3.7$, $SD=.74$), $t(19)=2.41$, $p<.03$. Study 2 replicated this finding and showed that the effect of fluency on risk perception is mediated by perceived familiarity, $\beta=.49$, $t(14)=2.62$, $p=.02$.

Previous research also demonstrated, however, that processing fluency is hedonically marked and that high fluency elicits a positive affective response that can be captured with psychophysiological methods (e.g., Winkielman & Cacioppo, 2001). Although the affective response to processing fluency may itself be a function of the perceived familiarity of the processed stimulus (Zajonc, 1980), it raises the possibility that the influence of familiarity on risk perception is driven by the accompanying affect rather than by familiarity per se. Study 3 addresses this possibility by examining the influence of processing fluency on judgments of a positively valenced risk (the excitement and adventurousness of amusement park rides) as well as a negatively valenced risk (the sickening effects of amusement park rides). As a large body of research into the role of affect in evaluative judgment demonstrates, positive affect elicits more favorable evaluations than negative affect (see Schwarz & Clore, 2007, for a review). If the effect of fluency on judgments of risk is driven by the affect associated with familiar vs. unfamiliar stimuli, low processing fluency should result in negative evaluations of amusement park rides, which should be perceived as less exciting as well as more sickening. If familiarity itself can serve as an input into judgments of risk, however, low fluency may increase negative risk judgments (sickening effects of rides) as well as positive risk judgments (adventurousness of rides).

Study 3 supported the latter prediction: amusement park rides with difficult-to-pronounce names were rated as more exciting as well as more sickening than rides with easy-to-pronounce names; $F(1,$

33) = 26.18, $p < .001$, for the main effect. Consistent with the previous mediation analysis, these results further indicate that perceived familiarity (rather than the affect associated with differential fluency) drives the effects of fluency on risk perception.

Our findings suggest that marketers may use fluency in a strategic way to influence the impressions that consumers form of their products. For instance, food additives will seem less hazardous when labeled with an easy-to-pronounce name rather than a chemical term, whereas the gear for high risk sports may benefit from names that are less fluent. Moreover, product names may also be varied to alert consumers of associated risks. For example, medications that carry a high risk may be less likely to be overused when labeled with a disfluent name, whereas fluent names may reduce perceived risk for medications intended for daily use. Future research may fruitfully explore these conjectures, paying close attention to whether the effect of name disfluency washes out over time, as may be expected when the name becomes familiar with repeated product use.

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EASE OF BANNER AD PROCESSING AS A MODERATOR OF PERCEPTUAL FLUENCY EFFECTS IN ADVERTISING

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ABSTRACT

Perceptual fluency has recently received widespread attention in the area of cognitive psychology. Some studies in consumer research have shown the effect of processing fluency on consideration-set membership and brand evaluation (Labroo and Lee 2006; Lee and Labroo 2004; Shapiro 1999). However, little research has been investigating effects of perceptual fluency effect on Web based advertising. Reber, Winkielman, and Schwarz (1998) showed that perceptual fluency increases liking and that the experience of fluency is affectively positive. They suggested that people like objects that are presented for longer durations more than objects that are presented for shorter durations; this is presumably because longer exposure increases perceptual fluency. However, the effect of perceptual fluency on affective judgment is not monotonic. As the frequency of exposure rises, boredom may set in, leading to a decline in the participants' evaluation of the target (e.g., Bornstein, Kale, and Cornell 1990; Van den Bergh and Vrana 1998). In this research we propose that the effect of perceptual fluency on affective judgment depends on the ease of message processing. The objective of this research is to examine the effect of perceptual fluency in online marketing environments and to explore potential boundaries of perceptual fluency. In addition, stimulus characteristics that influence the perceptual fluency will also be studied.

One lab experiment was conducted to test hypotheses. The findings support our predictions. The results suggest that perceptual fluency effect has a boundary as boredom sets in. In addition, ease of banner ad processing influences perceptual fluency as we anticipated. When the banner ad is difficult to process, increasing exposure time causes a linear increase in respondents' evaluations toward the target ad. When the banner ad is moderately difficult to process, increasing exposure time first increases and then decreases respondents' evaluations toward the target ad (an inverted-U pattern). When the banner ad is easy to process, increasing exposure time first decreases and then increases respondents' evaluations toward the target ad (a U pattern).

The current study has theoretical and managerial contributions. From a theoretical point of view, we explore the potential boundary condition of perceptual fluency effects. In addition, we found that intrinsic characteristics of the stimuli (banner ad content) influence the perceptual fluency when people process Web advertising. Finally, from a managerial standpoint, it has important implications for Web advertising strategies in designing banner ads and deciding exposure time.

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STANDING IN LINE: INFERRING VALUE FROM THE PEOPLE BEHIND

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ABSTRACT

In the course of pursuing a goal, consumers seek information about the value of the goal and the required effort to attain that goal. This paper examines inferences of value and effort in the context of queues. Consumers infer value from their accomplished actions, using the presence of people behind them in a queue as a proxy for their accomplishments. Therefore, the presence of people behind versus ahead of a person in a queue increases the perceived value of the queuing goal. Conversely, consumers infer the effort of goal attainment based on unaccomplished actions, and therefore the presence of people ahead of versus behind them in a queue increases perceived effort of goal attainment. Five field studies demonstrate these separate effects on estimates of value and effort, and consequently, the amount of expenditure of queuing consumers.

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BEYOND EXPECTATIONS: THE INFLUENCE OF GOAL ORIENTATION ON CONSUMER SATISFACTION

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ABSTRACT

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). It's 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 confirmation/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.

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**ALL FRIENDLINESS IS NOT CREATED EQUAL:
THE ROLE OF IMPRESSION MANAGEMENT GOALS AND SERVER CONNECTEDNESS
IN CONSUMER EMBARRASSMENT AND SERVER EXPERIENCE**

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ABSTRACT

It is widely believed that consumers welcome the provision of personalized services by companies. Researchers have found the relationship aspects of services to be of particular importance in consumers' service experiences and evaluations (e.g., Parasuraman, Berry, and Zeithaml 1985). Others have shown that personalized services significantly affect customer evaluations of service quality and continued patronage (Mittal and Lassar 1996). Little research, however, has been done to explore negative consequences for service providers that offer relationship-oriented services. In this paper, we examine a service context within which a friendly disclosure of consumers' previous ordering histories is made by the service provider with the intent of establishing a connection with customers. We propose that such friendly disclosures can serve as a double-edged sword. Specifically, when impression management goals are not salient, consumers should appreciate such friendly disclosures. However, when impression management goals are salient and personalized services hinder goal attainment, negative emotions such as embarrassment should worsen the service experience, perceived service quality, and likelihood of future patronage.

These propositions were tested using a 2 (server connectedness: reminder of previous order vs. no reminder) by 3 (impression management goal activation: dining with a friend, with a date, with a date who is a fitness instructor) between-subjects experimental design. One hundred and fifty nine undergraduate students from a major North American university, randomly assigned to one of the six experimental conditions, were asked to read about a hypothetical service encounter while dining at a restaurant with a companion. Server connectedness was manipulated via the extent of personalized interactions between the server and customer. A hypothetical dish named "Meat Lovers' Deep Fried Jumbo Platter" was utilized within the scenario to indicate an unhealthy food choice. This name was chosen on the basis of a pretest conducted with an independent sample of 27 respondents that belonged to the same population. In the low server connectedness condition, the server recommended this unhealthy dish within the context of the specials of the day. In the high server connectedness condition, the server recommended this unhealthy dish within the context of the participants' past ordering history (i.e., by reminding them that they had ordered it several times in the past). Impression management goals were operationalized using methods similar to those adopted by past researchers (e.g., Bobra and Pandey 1984)—participants were told that the dinner companion was either an old friend (in the less salient impression management goal condition), a date (in the more salient impression management goal condition), or a date that is a fitness instructor (in the most salient impression management goal condition). The impression management goals were expected to be most salient in the last case where participants were asked to imagine they were on a date with someone that is very health conscious.

Counter to what has been demonstrated previously (Mittal and Lassar 1996; Parasuraman, Zeithaml and Berry 1994), our findings suggest that providing a personalized touch might not lead to

enhanced service experiences, especially where this triggers negative emotions such as embarrassment (as in the high server connectedness condition). Furthermore, the activation of impression management goals heightened felt embarrassment. This in turn lowered evaluations of the dining experience and likelihood of repeat patronage. These feelings of embarrassment also partially mediated the effects of server connectedness and impression management goal salience on attitudinal and behavioural responses. We thus find a joint effect of impression management goals and personalized service (in the form of friendly disclosures) on consumer embarrassment, and the mediating role of these feelings of embarrassment on perceptions of the service received. Our research has important managerial implications as well. We find that even well intended personalized services, by crossing hidden personal boundaries, have the ability to tarnish service encounters by triggering negative emotions such as embarrassment. More research is needed to better understand ways to manage consumer emotions and mitigate the potential for backlash effects within the relationship-oriented service arena.

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SEEING THROUGH DISTINCT LENSES: THE EFFECT OF MINDSETS ON PERSUASION

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**THE EFFECTS OF MIXED EMOTIONS ON PERSUASION:
THE ROLE OF AFFECTIVE VERSUS COGNITIVE MINDSETS**

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ABSTRACT

In the present research, we explore the role of mixed emotions in persuasion as a function of whether consumers are in an affective mindset where they rely upon their affect versus a cognitive mindset where they rely upon their cognition. We define mixed emotions as simultaneously experiencing emotions of the opposite valences. For example, events such as graduation may be accompanied by both a positive emotion (e.g., feeling excited about new opportunities) but also a negative emotion (e.g., feeling sad about leaving friends behind).

Previous research suggests that when people experience mixed emotions, they feel uncomfortable and conflicted; and this feeling of discomfort will lead them to have a less favorable attitude (Williams & Aaker, 2002). In the current research, we propose that the effects of a mixed emotional experience on persuasion will depend on whether consumers are under an affective or cognitive mindset. Specifically, we hypothesize relying on cognition will focus people on the informational value of mixed emotions, which signals that the environment is multifaceted, and hence information needs to be processed to a greater extent. As a result, mixed emotions should enhance persuasion when message arguments are strong, but decrease persuasion when message arguments are weak. In contrast, we hypothesize relying on affect will lead consumers to use their affective reactions, that is, the feeling of discomfort, and thereby reduce persuasion regardless of argument quality. Furthermore, we found that in the hedonic consumption goal condition participants' affective reactions mediated the effect of the type of emotional appeal on persuasion; on the other hand, in the utilitarian consumption goal condition, perceived elaboration mediated the effect of the type of emotional appeal on persuasion.

Previous research has suggested that when people have a hedonic consumption goal, they are more likely to rely on their feelings in making the decision; on the other hand, when their consumption goal is utilitarian, their judgment and decisions are more likely to be more cognitive (e.g., Pham, 1998). Hence, we manipulated participants' consumption goal to manipulate the affective versus cognitive mindset in Experiment 1. To test our hypothesis a 2 (emotion type: mixed emotions vs. happy) \times 2

(consumption goal: hedonic vs. utilitarian) \times 2 (argument quality: strong vs. weak) between-subject design was used. Participants were asked to read an advertisement for a cell phone, and the three between-subject factors were manipulated within the ad. The results showed a significant three-way interaction on participants' attitude toward the ad. When participants were primed with a hedonic consumption goal, there was a main effect of emotion type such that happy ad is more persuasive than the mixed emotions ad, regardless of the argument quality of the ad. However, when participants were primed with a utilitarian consumption goal, we found a significant interaction between emotion type and argument quality. Mixed emotions led to more polarized attitudes toward the ad than happiness such that the strong mixed emotions ad led to a more favorable attitude than the strong happy ad, and the weak mixed emotions ad led to a more unfavorable attitude than the weak happy ad.

In Experiment 2, we replicated our findings by using a different operationalization of affective versus cognitive mindset. To this end, we used the Rational-Experiential Inventory developed by Pacin and Epstein (1999). Previous research has showed that certain negative emotions are associated with uncertainty (e.g., sadness) and thus can increase message processing (e.g., Tiedens and Linton, 2001). To demonstrate that the effects of mixed emotions on increased elaboration we observed in Experiment 1 were not driven by the uncertainty dimension, we included a sadness condition to contrast against the mixed emotions condition. Thus, a 2 (emotion type: mixed emotions vs. sad) \times 2 (mindset: experiential vs. rational) \times 2 (argument quality: strong vs. weak) between-subject design was used. The results showed a significant three-way interaction. For those experiential participants, there was only a main effect of argument quality such that the strong argument led to a more favorable attitude than the weak argument. However, for those rational participants, there was a marginally significant interaction between emotion type and argument quality such that mixed emotions ad led to more differentiation between strong and weak arguments than individuals in the sad condition. This suggested that the effects of mixed emotions are distinct from the effects of negative emotions (e.g. sadness).

In Experiment 3, we used another different operationalization of affective versus cognitive mindset. Specifically, Pham and Avnet (2004) found that people with a promotion focus rely more on their affective reactions in making their judgment whereas those with a prevention focus rely more on the substantive information in making their judgment. Therefore, to manipulate affective versus cognitive mindset, we experimentally varied participants' regulatory focus. Another difference of Experiment 3 was that we focused only on the strong message condition and excluded the weak message condition. Thus, a 2 (emotion type: mixed emotions vs. happy) \times 2 (regulatory focus: promotion vs. prevention) between-subject design was used. The results showed a significant interaction between emotion type and regulatory focus. Replicating the findings from Experiments 1 and 2, we showed that when participants were primed with a promotion focus, the happy ad led to more favorable attitude than the mixed emotions ad; and this effect was mediated by participants' affective reactions to the ad. Conversely, when participants were primed with a prevention focus, the mixed emotions ad led to a more favorable attitude than the happy ad; and this effect was mediated by participants' perceived elaboration.

In summary, results from three studies provide convergent evidence that mixed emotions can influence persuasion through two routes: when people are in an affective mindset, the discomfort arising from mixed emotions will lead to less favorable attitudes toward the message; however, when people are in a cognitive mindset, mixed emotions will increase elaboration and thus lead to more thorough processing of the message. This research contributes to our understanding of mixed emotions and persuasion, as well as how affective versus cognitive mindset interacts with emotion and persuasion.

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REFLECTIVE VERSUS TRANSACTIONAL MINDSETS IN DONATION REQUESTS: THE “TIME-ASK” EFFECT

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ABSTRACT

This research examines how focusing on time versus money can impact people’s willingness to donate to charitable causes. Time and money are two fundamental resources in people’s lives, and the psychological study of time and money has enjoyed much resonance lately. For example, much work has explored the relative impact of time and money on decision making, discount rates, and the valuation of future possibilities or outcomes (e.g., Loewenstein 1987; Zauberman and Lynch 2005). However, recent research suggests that their psychological role may extend beyond merely serving as accounting units. For example, Vohs, Mead and Goode (2006) found that when people are primed to think about money, they become more independent, preferring solo activities, and taking longer to seek help when in need. Joining the growing interest on the psychology of time and money, the current research studies the effect of thinking about time and money in the charitable giving context, which is a \$260 billion industry in the United States (Giving USA Foundation 2006). In particular, we focus on the distinct mindsets activated through thinking about time versus money. We find that time is associated with a reflective mindset that focuses on emotional meaning, while money is associated with a transactional mindset that emphasizes value maximization. Consequently, in the charitable giving context, thinking about time makes salient the link between giving and personal happiness, leading to greater amount of charitable donations than when thinking about money (or not thinking of either).

We propose that people’s representation of time is closely associated with concepts of emotional meaning (Carstensen, Isaacowitz, and Charles 1999; Van Boven and Gilovich 2003) because of the inherent link between time and experience—to spend time is to experience and to achieve emotionally meaningful goals; in contrast, the representation of money is more closely associated with concepts of economic utility (Loewenstein, Reid and Baumeister 2003; Vohs, Mead and Goode 2006). These distinct sets of associations are activated when people are engaged in thinking about time and/or money. For example, when people are asked about their intent for charitable contribution (“How much time are you willing to donate to Second Harvest?” or “How much money are you willing to donate to Second Harvest?”), in constructing an answer to these questions, the associations of emotional significance (versus economic utility) are activated, resulting in reflective versus transactional mindsets for evaluating the act of charity. These mindsets in turn affect the person’s subsequent behavior towards the charity. Specifically, because charity is emotionally satisfying but economically ambiguous, a reflective mindset generated by an initial consideration of time (rather than money) may lead to greater amount of actual giving (in money and time) in a subsequent decision. Thus the mere consideration of a time donation leads to changes in actual behavior, consistent with previous research in question-behavior effects (e.g., “mere measurement effect”, Morwitz, Johnson and Schmittlein 1993; Schwarz 1999; Sherman 1980; Spangenberg 1997; Sprott et al. 2006).

Experiment 1 studies the basic effect in the context of donations to the American Lung Cancer Foundation. Participants in the control condition were just asked how much they were willing to donate to this foundation. In the time-ask condition, people were first asked about their willingness to give time to the organization, and then the target question of how much to donate. This time question significantly increased amount of donation ($M = \$36.44$ vs. $\$24.46$, $p = .04$).

Experiment 2 is a field study conducted with HopeLab, an organization that improves the quality of living for children with chronic illnesses through innovative video games aimed at coping with the disease. At time 1, participants read information about HopeLab, and were asked “How interested are you to donate time?” and “How interested are you to donate money?”. The key manipulation was the order of these two questions—when time was asked first, it put people under an emotional mindset for subsequent questions; when money was asked first, it put people under an economic mindset. A third group (control condition) read about HopeLab, but was not asked any intent questions. At time 2, the same participants were approached with an opportunity to donate money to HopeLab, and/or to volunteer for HopeLab. It is found when time intent was first asked, donation was significantly higher than in the control condition ($M = \$5.85$ vs. $\$4.42$, $p = .04$); whereas when monetary intent was first asked, donation was actually lower than in the control condition ($M = \$3.07$, $p = .05$). The time-first condition also committed to more hours of volunteering.

Experiment 3 replicates experiment 2, and seeks to identify the mechanism underlying the time-ask effect. Results showed that a stronger perception of the link between charity and personal happiness fully mediated the effect of measuring time intent on subsequent donation. On the other hand, the effect was not driven by increased ease of representation of the behavior (Levav and Fitzsimons 2006), or increased ability to empathize with the person in need. The process result therefore supports the theorizing that thinking about time activates a reflective mindset that focuses on the emotional significance of charitable giving.

This research has significant implications for consumer research in the areas of mental accounting, “hot” versus “cold” thinking, altruism, and happiness. Future research may further examine the effect of thinking about time versus money. For example, can a simple prime of time (e.g., a picture of a clock) have a similar effect in activating an emotional mindset? Can thinking about time versus money lead to greater subjective happiness in life in general? Research is also needed to fully examine the mechanism by which charity leads to subjective happiness.

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ASSIMILATION AND CONTRAST IN SEQUENTIAL MESSAGE SITUATIONS: THE ROLE OF SIMILARITY AND DISSIMILARITY MINDSETS IN PERSUASION

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ABSTRACT

Considerable research attention has been devoted to understanding the role of context effects—that is, the tendency for people’s perceptions of one stimulus to be shaped by their perceptions of another stimulus—in social judgment. This research has established that context effects can be assimilative or contrastive in nature (for reviews, see Mussweiler, 2003; Schwarz & Bless, 1992). *Assimilation* occurs when one’s judgment of a target stimulus shifts toward the context—for instance, one’s judgment of an earlier stimulus. *Contrast* occurs when one’s judgment of a target stimulus shifts away from the context. For example, one might judge a target person to be more (contrast) or less (assimilation) trustworthy after exposure to another person who is very untrustworthy.

Despite the abundance of research on assimilation and contrast in social judgment, little effort has been made to understand these phenomena in persuasion. In persuasion research, there has been an overwhelming emphasis on studying persuasive messages delivered in isolation (see Tormala & Petty, 2007, for an exception). This emphasis is surprising given that in the real world, people tend to receive persuasive messages in the context of other messages about different objects or issues. This is true when people watch television commercials, read magazine advertisements, or simply surf from one website to another.

In the present research, we explore the potential influence of prior persuasive messages on perceptions of, and the resulting persuasiveness of, subsequent messages. In particular, we focus on the credibility of the source of a persuasive message (Tormala, Briñol, & Petty, 2007), and we examine the manner in which the perceived credibility of a message source is influenced by the credibility of other sources associated with prior messages. Based on current models of comparative judgments (e.g., Mussweiler, 2003), we submit that prior source credibility can have an assimilative or contrastive effect on target source credibility and, thus, target persuasion. We further submit that the direction of this effect will be moderated by the extent to which similarity or dissimilarity mindsets are activated.

Overview

In two experiments, participants received a target persuasive message from a moderately credible source. Immediately before this message, participants received another message, on a different topic, from a source with high or low credibility. Experiment 1 was designed to provide an initial assessment of source credibility effects in a sequential message situation. Experiment 2 sought to extend the findings of the first experiment by testing the moderating role of similarity versus dissimilarity mindsets. We predicted that when participants were primed with a similarity mindset, their attitudes toward the target issue would be more favorable following a different message from a high rather than low credibility source (assimilation). When participants were primed with a dissimilarity mindset, we expected their attitudes toward the target issue to be more favorable following a different message from a low rather than high credibility source (contrast).

Experiment 1

In the first experiment, thirty-one participants received 2 persuasive messages in succession: an initial (context) message from a source with high or low expertise and a second (target) message on a different topic from a source with moderate expertise. All participants received the exact same target message and source; only the source associated with the *initial* message was manipulated. Following the target message, participants reported attitudes toward the target issue. Results indicated that participants’ attitudes toward the target issue were more favorable in the low ($M = 6.21$) rather than high

($M = 4.65$) prior credibility condition, $t(29) = 2.18, p < .04$. Thus, we found a contrast effect on target attitudes such that participants who were exposed to a low credibility prior source responded more favorably to the target issue than did participants who were exposed to a high credibility prior source. Furthermore, consistent with the notion that contrast might have been fostered by a dissimilarity mindset, we asked a second group of participants ($N = 22$) to report how similar or dissimilar the prior and target sources were to each other. On average, participants found the sources to be dissimilar.

Experiment 2

Experiment 1 provided initial evidence for the importance of prior messages in determining the impact of subsequent messages, and follow-up data hinted at the possibility that dissimilarity mindsets might have been at play. In Experiment 2, we sought to examine the role of mindsets more directly. Eighty-six participants underwent the same essential procedure as in the first study, but at the outset we primed participants to think about similarities or dissimilarities using a manipulation adapted from past research (e.g., Mussweiler, Rüter, & Epstude, 2004). As predicted, mindsets moderated the effect of prior source credibility on target persuasion. Specifically, there was a significant interaction between mindset and prior source credibility on target attitudes, $F(1, 82) = 10.83, p = .001$ (see Table 1). In the dissimilarity prime condition, attitudes toward the target issue were more favorable when participants had been exposed to a prior source low rather than high in credibility, $F(1, 82) = 4.88, p < .04$. In the similarity prime condition, attitudes toward the target issue were more favorable when participants had been exposed to a prior source high rather than low in credibility, $F(1, 82) = 5.96, p < .03$. Thus, we found evidence for contrast and assimilation under dissimilarity and similarity mindset conditions, respectively. Also important, these effects were mediated by the favorability of participants' cognitive responses, suggesting that assimilation and contrast in sequential message situations need not be cue-based in nature, but rather that it can occur through a more thoughtful (albeit biased) mechanism.

Discussion

Although persuasion research traditionally has studied persuasive messages in isolation, the present research suggests that persuasion depends not only on the characteristics of the target message, but also on the characteristics of prior, contextual, messages and the extent to which people's mindsets foster assimilative or contrastive influences. Thus, even irrelevant prior messages can affect perceptions of target messages, and the direction of this effect depends on the direction of message recipients' thinking in the persuasion situation.

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Table 1. *Target Attitudes as a Function of Mindset and Prior Source Credibility.*

Dependent Measure	Similarity Mindset		Dissimilarity Mindset	
	Prior Source Credibility			
	Low	High	Low	High
Attitudes				
<i>M</i>	4.75	6.07	5.66	4.51
<i>SE</i>	.40	.37	.37	.36

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MALFEASANT MATERIALISM? WHETHER, WHEN AND WHY MATERIALISM IS COSTLY TO CONSUMER AND SOCIETAL WELL-BEING

Special Session Chairs:
Leaf Van Boven, Cornell University
Loenardo Nicolao, University of Texas at Austin

Discussion Leader:
Raj Raghunathan, The University of Texas at Austin

SOCIAL COSTS OF MATERIALISM: ON STEREOTYPES AND IMPRESSIONS OF MATERIALISTIC VERSUS EXPERIENTIAL PURSUITS

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ABSTRACT

Observers of consumer behavior routinely comment on materialism's detrimental effects in modern consumer society. Among other concerns, social critics fret about materialism's detrimental effect on social relationships (Fromm 1976; Kasser 2002; Lane 2001; Putnam 2000). That materialistic pursuits might impede social relationships is important and worrisome because successful social relationships are central to consumer happiness, health, and well-being (Diener and Seligman 2002). Why might materialism impede successful social relationships?

We tested the hypothesis that materialistic consumer behavior can have social costs because people have less favorable stereotypes of consumers who pursue happiness materialistically compared with consumers who pursue happiness experientially (Van Boven and Gilovich 2003). Specifically, people stereotypically believe that materialistic consumers are self-centered and extrinsically motivated whereas experiential consumers are social-centered and intrinsically motivated (Van Boven 2005). These stereotypes can lead people to form less favorable impressions of and be less interested in interacting with consumers associated with materialistic rather than experiential consumer behavior.

We tested the nature of people's stereotypes of materialistic and experiential consumers one pair of studies. Participants were asked to generate the traits associated with materialistic and experiential consumers (study 1). A separate group of participants rated the traits associated with materialistic consumers less favorably than the traits associated with experiential consumers, despite not knowing the traits' initial association. In another study, participants rated specific material purchases made by materialistic consumers as more extrinsically motivated and less intrinsically motivated than specific experiential purchases made by experiential consumers (study 2).

These stereotypes of materialistic and experiential consumers influenced people's impressions of others' consumer behavior in another study in which people from various demographic groups formed an impression of another consumer (study 3). Participants learned only that the consumer purchased a prototypically material purchase (a new shirt) or a prototypically experiential purchase (a ski pass), without explicit mention of the distinction between materialistic and experiential purchases. Participants evaluated the consumer of a prototypical material purchase less favorably than the consumer of a prototypical experiential purchase. The stereotypes of materialistic and experiential consumers were sufficiently potent to influence people's impressions of each other during face-to-face conversations about materialistic versus experiential purchases, despite the fact that the experimenter constrained the conversation topic (study 4).

Experimentally manipulating the extrinsic versus intrinsic motives underlying consumers' acquisition of prototypical material and experiential purchases (study 5). Participants formed less favorable impressions of consumers who made extrinsically motivated purchases (e.g., skiing to gain "bragging rights") than of consumers who made intrinsically motivated purchases (e.g., buying a new watch because of its enduring value), independent of whether those purchases were prototypically materialistic or experiential.

Our results indicate that people have relatively negative stereotypes of materialistic versus consumers, and that these stereotypes lead people to form less favorable impressions of consumers associated with material rather than experiential purchases. These results have important and complementary implications both for consumers and marketers. For consumers, these results suggest that they might avoid the conspicuous display of material consumption, thereby avoiding relatively unfavorable social evaluations. For marketers, these results highlight the benefits of emphasizing experiential products, products' intrinsically appealing attributes, and of avoiding associations with extrinsically driven materialism.

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MATERIALISM, GRATITUDE AND PROSOCIAL BEHAVIOR AMONG CHILDREN AND ADOLESCENTS

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ABSTRACT

Twenty years ago, children aspired to be really smart. Today, children aspire to be really rich (Schor 2004). This rising level of childhood materialism is attracting increasing attention and concern among parents, educators, physicians, social scientists, and the general public. For example, approximately nine in ten adults believe that children are too focused on buying things (DeGraaf, Wann, and Naylor 2001) and a similar percentage (87%) feel marketing is primarily responsible for this growing epidemic (www.newdream.org). Likewise, many educators, physicians, and social scientists argue that materialism inhibits children's psychological and social development (Kasser 2002; Linn 2004; Schor 2004).

Despite these concerns, there has been surprisingly little research focused on the consequences of materialism among children. Although anecdotal evidence is abundant, conclusive empirical research is lacking (see Cohen and Cohen 1996 and Schor 2004 for notable exceptions). There is, however, a substantial body of research on the consequences of materialism among adult consumers (see Kasser 2002 for a review). The vast majority of this research has focused on the effect of materialism on personal well-being and has found that adults who strongly value the pursuit of financial success and material possessions report lower levels of happiness and life satisfaction and higher levels of depression and neuroticism (see Burroughs and Rindfleisch 2002 for a review) as well as more negative and less enduring interpersonal relationships (Kasser and Ryan 2001).

However, considerably less attention has been devoted to the negative consequences of materialism for society at large. Social scientists argue that individuals who focus on the acquisition of material possessions often do so at the expense of self-transcendent and prosocial pursuits, such as community participation, volunteerism, and charitable giving (DeGraaf et al. 2001; Kasser 2002). Unfortunately, this literature contains only a handful of studies and is largely focused on adults (Belk 1985; Richins and Dawson 1992).

Our research seeks to enrich this emerging body of research on the societal consequences of materialism by focusing on the relationship between materialism and prosocial behavior among children and adolescents. Learning to engage in prosocial behavior is an important aspect of social development in children, which begins to take root during early childhood (Eisenberg and Mussen 1989; Hoffman 2000). We argue that materialism interrupts this development because it encourages attention toward the self and retards focus toward others. As a result, we suggest that children high in materialism exhibit lower levels of prosocial behavior. However, we also believe that feelings of gratitude can attenuate this relationship by helping children to appreciate the kindness of others rather than simply focusing on themselves. The shift away from being strictly self-oriented encourages children to think of others in various situations, including those that call for prosocial behaviors such as helping, volunteering or giving.

We test our propositions via two studies that, in combination, assess multiple indicants of both materialism and prosocial behavior across nearly 900 young consumers between 8-18 years of age. In aggregate, our results provide strong support for our conceptualization and contribute to the growing debate about the societal consequences of materialism. Although well-functioning societies depend upon its citizens to behave in prosocial ways, modern consumer culture appears to be increasingly undermining these behaviors by cultivating material values among children and adolescents. Concerned scholars and activists have suggested several ways to attenuate the development of material values, including increased parental support, parental restrictions on media access, and government-mandated reductions in media advertising and marketing (Cohen and Cohen 1996; Kasser 2002; Schor 1998). However, many parents are unable or unwilling to adopt these strategies; government restrictions seem even less viable. Thus, our research offers an alternative strategy by suggesting that the harmful societal effects of childhood materialism may be at least partially abated by educational efforts that encourage children and adolescents to exhibit gratitude for their family, friends, and possessions.

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HAPPINESS FOR SALE: MODERATORS OF EXPERIENTIAL PURCHASES' TENDENCY TO MAKE CONSUMERS HAPPIER THAN MATERIAL PURCHASES

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ABSTRACT

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 are 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.

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RESPONDING TO ETHICAL AND COMPETENCE FAILURES

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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 found 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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HOW CONSUMERS REACT TO THE SPREAD OF UNEXPECTED GOOD AND BAD EVENTS: LIKELIHOOD JUDGEMENTS AND BRAND ATTITUDES

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ABSTRACT

Imagine that you find that the brand of bottled water you drink contains minerals that increase your bad cholesterol, and every day more and more people are being affected by the spread of this problem. Alternatively, imagine that you find your brand of bottled water contains minerals that increase your good cholesterol. In this research, we investigate whether your reactions to such good and bad events (e.g., how you feel about yourself, how you feel towards the brand that is the source of the event) depend upon whether you are personally affected or unaffected by the events, and furthermore, if these differential reactions are moderated your cultural orientation (i.e., if your culture emphasizes an independent versus an interdependent perspective of yourself)? For example, if you belong to a culture that fosters an interdependent perspective or construal of the self (as opposed to an independent perspective) you are more likely to see yourself fundamentally connected to other consumers; consequently, whether you are personally affected or unaffected by the event could be irrelevant in how you feel about yourself or the brand. On the other hand, if your culture fosters an independent construal of yourself, then your reactions could be more severe if you are personally affected by the events as opposed to being unaffected by the events.

Our research holds important implications for both theory and practice. For theory, past research has mostly looked at the spread of good and bad events from the perspective of comparative optimism or the tendency of individuals to feel that they are more likely to benefit from good events and less likely to be harmed by bad events relative to others. We add to this literature, first by comparing individuals who are unaffected (and therefore can afford to be optimistic) as well as affected by the event, and suggest that the difference in the reactions of these two groups are moderated by their self views (i.e., independent or interdependent). Moreover, in addition to how individuals might feel about themselves, we investigate how individuals might feel towards the brand as well. For managers, it is critical to have a sense of how much the brand is affected by the spread of good and bad events so that they can either leverage the positive feelings in the future or design recovery strategies to minimize the negative effects in the present.

In a 2 (valence; positive/negative) by 2 (event spread; small/large) by 2 (self-status; affected/unaffected) by 2 (self-construal; independent/interdependent) between subjects design, 160 undergraduate students from a large northeaster university in the United States (an independent culture), and 217 undergraduate students from an urban university in Japan (an interdependent culture) served as voluntary participants. They were described either a positive event (a brand of bottled water is found to contain minerals that increase the drinker's good cholesterol) or a negative event (a brand of bottled water is found to contain minerals that increase the drinker's bad cholesterol) affecting a small (5 people) or a large (5,000) group of people. Half of the participants imagined that they were yet to be affected by the event (e.g., you are not experiencing any adverse symptoms yet), whereas the other half

of the participants to imagine that they were already affected by the event (e.g., yesterday you started feeling ill, and your doctor confirmed today that you have the contaminant in your blood).

We measured how participants felt about themselves using a five item scale (happy/sad, pleasure/pain, calm/angry, unafraid/afraid, lucky/unlucky). In the affected condition, these feelings were solicited after reminding participants that they had been diagnosed with bad or good cholesterol; in the unaffected conditions, these feelings were solicited after reminding participants that they were unaffected by the bad/good event yet, but they could be affected in the future (α in the affected conditions = 0.96; (α in the unaffected conditions = 0.95). We measured how participants felt about the brand of bottled water using a four-item scale (like/dislike, good/bad, continue buying/stop buying, favorable/unfavorable; $\alpha = 0.97$)

The fit of our first model (how participants feel about themselves as a function of event-valence, event-spread, self-status, and self-construal) was good ($R^2 = 69\%$). The main effect of event valence was significant ($p < .0001$), but moderated by self-status and self-construal (three-way interaction $p = .09$). For the positive event (good cholesterol), how interdependent participants felt about themselves did not depend on their own personal status ($M_{\text{Affected}} = 7.56$, $M_{\text{Unaffected}} = 7.30$, *ns*); however, independent participants felt significantly better about themselves when they were affected by the good event ($M_{\text{Affected}} = 7.82$, $M_{\text{Unaffected}} = 6.99$, $p < 0.05$). No such differences arose in the case of the negative event (bad cholesterol; Interdependent construal: $M_{\text{Affected}} = 2.46$, $M_{\text{Unaffected}} = 2.28$, *ns*; Independent construal: $M_{\text{Affected}} = 3.58$, $M_{\text{Unaffected}} = 3.93$, *ns*).

The fit of our second model (how participants feel about the brand as a function of event-valence, event-spread, self-status, and self-construal) was good ($R^2 = 76\%$). The main effect of event valence was significant ($p < .0001$), but moderated by self-status and self-construal (three-way interaction $p = .06$). In the case of the positive event (good cholesterol), how interdependent participants felt about the brand did not depend on their own personal status ($M_{\text{Affected}} = 7.67$, $M_{\text{Unaffected}} = 7.52$, *ns*); however, independent participants liked the brand more when they were affected by the good event ($M_{\text{Affected}} = 9.06$, $M_{\text{Unaffected}} = 7.77$, $p < 0.001$). For the negative event (bad cholesterol) however, both interdependent and independent participants liked the brand less when they were affected by the negative event (Interdependent construal: $M_{\text{Affected}} = 1.64$, $M_{\text{Unaffected}} = 2.70$, $p < 0.001$; Independent construal: $M_{\text{Affected}} = 2.37$, $M_{\text{Unaffected}} = 3.60$, $p < .001$).

Overall, the results suggest that as a good or bad event spreads into the market, how consumers feel about the brand and about themselves may not depend upon the amount of spread (i.e., how many people are affected by the event). What matters though is whether they are personally affected or unaffected by the event and the independent versus interdependent perspective they have about themselves, the latter more likely to play a role in the case of good events and less so in the case of bad events.

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REWARD OR PUNISH? ASYMMETRY IN WILLINGNESS-TO-PAY FOR ETHICALLY PRODUCED GOODS

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ABSTRACT

The era of self-interested firms trying to maximize shareholder wealth at any cost appears to have been supplanted by an era of corporate social responsibility. *Fortune* magazine reported that firms spent over \$9 billion on cause related marketing campaigns in 2001 (Ioannou, 2004), and more than 80% of Fortune 500 companies address corporate social responsibility (CSR) issues on their websites (Sen and Bhattacharya, 2001). As firms consider and strive to limit the impact of their operations on society and the environment, a very simple but elusive question remains unanswered; are consumers willing to reward firms for their positive actions? This question drives our research. More specifically, we investigate ethical and unethical production of products and the asymmetrical responses of consumers' willingness-to-pay.

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 (A notable exception is Creyer and Ross (1997), who examined consumers' stated intentions towards rewarding positive CSR and punishing negative CSR). 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 et al. 2001; Rozin and Royzman, 2001). That is, negative and positive information is treated differently. Our research aims to find empirical evidence and support for these differences in consumer behavior. Specifically we examine differences in the relationship between willingness-to-pay and positive (versus negative) ethical product information.

In experiment 1, consumers willingness to pay more for ethical products was investigated using three between-subjects conditions where participants evaluated written scenarios of a coffee company followed by a questionnaire. Ninety-seven coffee-drinking adult consumers were recruited from the pool of parents at a local daycare centre. To ensure that the positive and negative conditions were equally valenced, a pretest ($n = 20$) had subjects rate their attitudes toward the target firm using a 4 item scale adapted from Boulding and Kirmani (1993). Both of the final scenarios were found to be equally valenced, that is the ethical condition ($M=7.34$) and the unethical condition ($M=2.22$) were equidistant from the midpoint of the scale ($F(1,18)=1.00, p = .33$). The pretest revealed that the scenarios elicited equally intense attitudes toward the firm and importantly, no asymmetries in the attitudes were generated by our manipulations.

As expected, there was a main effect whereby participants were willing to pay more in the ethical condition ($M = \$9.71$) than in the control ($M = \8.31) and unethical condition ($M = \$5.89$) ($F(2,83) = 17.48; p < .001$). WTP in the ethical group is significantly higher than in the control group ($M_{\text{difference}} = \$1.40; p < .05$), or the unethical group ($M_{\text{difference}} = \$3.82; p < .001$), and the WTP for the

unethical group is also significantly lower than for the control group ($M_{\text{difference}} = -\$2.42; p < .001$). Comparisons of the mean differences relative to the control group suggests a positive-negative asymmetry whereby participants punished firms for the unethical production of goods by discounting ($M_{\text{difference}} = -\$2.42; p < .001$) to a greater degree than they rewarded firms for the ethical production of goods by paying a premium ($M_{\text{difference}} = \$1.40; p < .05$). A regression analysis was conducted with two dummy coded variables to represent the three ethical conditions. An examination of the models standardized coefficients supports our positive-negative asymmetry hypothesis, the impact of negative information on the participants' willingness to pay was a substantive 1.9 times that of the positive information.

Experiment two explores the effect of the ethical expectations consumers have of firms as a moderator of the relationship between ethical firm behavior and consumer willingness-to-pay. For this use the methodology and materials used in the first experiment. To test whether the baseline consumer ethical expectations about firms moderated the relationship between ethical production and consumer WTP (H_5), we created a twelve item scale using items from Creyer and Ross' (1997) ethical values scale ($\alpha = .91$).

As expected, we were able to replicate the results found in experiment one. Participants were willing to pay more in the ethical condition ($M = \$10.96$) than in the control ($M = \9.77) and unethical condition ($M = \$7.81$) ($F(2,81) = 21.40; p < .001$). Planned contrasts revealed a positive-negative asymmetry. The difference in WTP between the ethical and control conditions ($\$1.19, p = .07$) is proportionately less than the difference between the unethical and control conditions ($-\$1.93, p < .001$). We additionally found that ethical expectations did moderate the relationship between ethical behavior and willingness-to-pay ($F(2, 76) = 6.33; p = .003$). The interaction revealed that participants with higher ethical expectations of firms both reward ($M = 11.59$ vs. $M = 9.90$) and punish ($M = 6.92$ vs. $M = 8.44$) firms to a greater degree (with greater increases and decreases in WTP, respectively) than those with low ethical expectations of firms. For those with high ethical expectations of firm behavior, WTP was intensified; conversely, for those with low ethical expectations of firm behavior, WTP was attenuated.

In summary, we demonstrated that 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. 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).

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**GIMME THREE GOOD REASONS NOT TO DO IT:
THE INFLUENCE OF FRAMES, SELF-GENERATION AND NUMEROSITY OF
JUSTIFICATIONS ON ETHICAL JUDGMENT**

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ABSTRACT

Ethics models based on the Theory of Reasoned Action (Fishbein & Ajzen, 1975) hold that ethical behaviors are preceded and determined by ethical decisions stemming from evaluations of content (Hunt & Vitell, 1986). Decision makers are said to apply ethical criteria and standards, which together serve as a sort of “moral compass” to guide ethical decisions upon which they act. However, like other types of human judgments, evidence shows that ethical judgments can vary circumstantially (e.g., Kellaris, Dahlstrom, & Boyle, 1996). Although one’s moral compass may appear to point to true north, it is subject to the magnetic pull of situational factors (Kellaris, Boyle, & Dahlstrom, 1994), their interactions with person traits (Boyle, Dahlsrom, & Kellaris, 1998), and metacognitive experiences (Schwarz, 2004).

This study examines how frames and metacognitive experiences shape evaluations of an ethically controversial business practice. On the basis of theory and previous findings, we anticipate that ethical judgment will be biased by prior consideration of reasons to do (vs. not do) an ethically controversial act, such that ethical evaluations will be lower (i.e., more critical) after considering reasons not to perform the act. Additionally, we anticipate that ethical evaluations will be shaped by the interplay of active versus passive processing of justifications and the number of justifications. Specifically, when passively reading a list of justifications, 12 items should be more persuasive than 3 items. However, this numerosity effect (Pelham, Sumarta, & Myaskovsky, 1994) should reverse when evaluators are challenged to self-generate a list of justifications. Whereas it should be relatively easy to generate a list of three justifications, the justifications should seem more compelling and thereby wield a stronger influence ethical judgment (Wänke, Bless, & Biller, 1996). By contrast, it should be relatively difficult or even impossible in many cases to generate a list of twelve, non-redundant justifications within a limited time period. In fact, we expect many subjects would fail at such a task and thereby conclude that there are simply not many compelling justifications (Schwarz et al., 1991).

Method

To test the hypotheses, we conducted an experiment using a 2 (frame = do vs. not do) X 2 (numerosity = 3 vs. 12) X 2 (justification = read vs. generate) + 1 between-subjects design with control group. One-hundred forty seven business students were exposed to a printed scenario describing an ethically controversial marketing practice (adapted from Kleiser et al., 2003). Manipulations (read or self-generate a list of 3 or 12 reasons to do or not do what the actor in the scenario did) followed. Control group participants were exposed to the scenario and measures, but not to the manipulations. Dependent variables were measures of ethical judgment (Jung & Kellaris, 2002) and behavioral intent vis-à-vis the action described in the scenario. Additionally, we tabulated the number of reasons generated under the list-generation condition, categorized participants into ethical ideology groups on the basis of EPQ scores (Forsyth, 1980), and collected demographic information. Participants were

exposed to the priming scenario, treatments, and measures via self-administered questionnaires in a classroom setting.

Results

Results show a main effect of frame on ethical judgment ($F_{1,121} = 18.53, p < .001$). Ethical ratings were lower (mean = 2.98) among participants asked to consider reasons not to do the action described in the scenario, higher (mean = 3.90) among those asked to consider reasons to do the action described in the scenario. *Post-hoc* tests indicate that ethical evaluations in the negative (“not do”) frame condition are statistically lower than those of the control group.

Results also show a significant two-way interaction of reading versus generating ethical justifications with the numerosity of those justifications ($F_{1,121} = 4.21, p = .042$). When numerosity is low, ethical evaluations are lower (more critical) when justifications are self-generated (mean=3.29) rather than read from a list (mean=3.65). When numerosity is high, ethical evaluations are lower (more critical) when justifications are read from a list (mean=3.18) rather than self-generated (mean=3.67). Additionally, ethical ratings differ from the control group under two conditions: when reading numerous (12) justifications and when self-generating few (3) justifications, but not when reading few or attempting to generate many justifications.

This two-way interaction, however, is qualified by frame such that a significant three-way interaction obtains ($F_{1,121} = 4.12, p = .044$). In brief, the crisscross pattern obtains under the negative frame condition, but not under the positive frame condition.

Additional Findings

Behavioral intent was highly, positively correlated with ethical evaluations and showed a similar pattern of treatment effects. Additionally, results of exploratory analyses show that ethical judgment is negatively associated with judgmental confidence. Whereas ethically controversial acts are more easily condemned than justified, those who “err on the side of caution” appear to do so with greater conviction than those who “skate the edge.” Results also show that the framing effect is more pronounced among individuals low (vs. high) in ideological relativism. It appears that absolutists – those low in ideological relativism – believe that their judgment is based on application of absolute standards and therefore not swayed by circumstance. Ironically, this over-confidence appears to make their judgment more prone to situational influence.

These preliminary findings demonstrate how metacognitive experience (ease of retrieval) can inform ethical judgment. Importantly, the findings show that a controversial marketing practice can seem more ethical or less ethical depending upon mere circumstances surrounding the judgment. Indeed, one’s moral compass does not always point to true north.

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AN EXAMINATION OF CONCRETENESS AND WHOLE NUMBER DOMINANCE EFFECTS ON THE EVALUATION OF PERCENTAGE SHIPPING CHARGES

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ABSTRACT

Consumers are often presented with marketplace offers that contain a base value and an additional percentage (e.g., \$50 for a product plus 15% for shipping). Prior research suggests that when people see a number, they automatically generate a “quantity code” or magnitude estimation (Dehaene, 1992; Pavese & Umiltà, 1998), even if the number is not intended to convey magnitude (e.g., ZIP codes). This is consistent with findings in the developmental and education literatures which point toward a “whole number dominance” phenomenon. That is, whole number representations are privileged relative to percentages and other complex numerical forms that require the application of additional symbolic knowledge in order to gauge magnitude.

The concreteness principle (Slovic, 1972) suggests that people will be satisfied with employing their automatic (effortless) magnitude estimations unless compelled to do otherwise. That is, people will tend to process the information as it is displayed. For example, \$5 + 20% “feels like” more than \$6, and people may be content to use this subjective judgment even while knowing that it may not be accurate. Consequently, their judgments of the information will be based on felt, but not necessarily computed, magnitudes of the numbers presented.

While a base value and an additional percentage are distinct entities, they are contiguous and conceptually related. Thus, they are particularly likely to become part of each other’s evoked evaluative context (Adaval & Monroe, 2002; Krishna et al., 2006). The base value is likely to serve as a standard of comparison for the additional percentage for two reasons. First, the base value is typically associated with the most important component and, thus in a consumer setting, with the primary benefits of the offer. Second, the base value is typically listed first, and the order effects literature suggests that the first object in a series is generally taken as the referent (e.g., Mantel and Kardes 1999). As such, if people are influenced by the face value of an added percentage (i.e., susceptible to whole number dominance) and are not motivated to adjust their estimation of the magnitude of the percentage (i.e., susceptible to concreteness), a given percentage will seem smaller as the base value increases in size. Thus, we predict that for a given percentage, an offer will appear more attractive relative to an equivalent total offer (i.e., the base value and additional percentage integrated into a single total amount) as the base increases. Because offers are typically less attractive as the overall price increases, the equivalent total amount serves as a baseline against which we can compare the effect of the additional percentage charge.

We test the above prediction in Study 1. Participants were told to assume that they were shopping for a cordless telephone and had found a phone with acceptable features offered by an online retailer. Price information was manipulated to create a 3 (total price) × 3 (price presentation) between-subjects design. The total price was \$19.99, \$69.99, or \$139.99, and this price was presented either as a single, all-inclusive price for the phone and shipping or as separate prices for the phone and shipping. For the \$19.99 total price level, participants saw a price of \$19.99 for the phone and shipping, \$18.42 for

the phone + 8.5% for shipping, or \$15.56 + 28.5%. For the \$69.99 total price level, the price was presented as \$69.99, \$64.41 + 8.5%, or \$54.47 + 28.5%. For the \$139.99 total price level, the price was presented as \$139.99, \$129.02 + 8.5%, or \$108.94 + 28.5%. The total price was not provided in the conditions containing separate shipping charges. Participants were 212 undergraduate students who were randomly assigned to one of the nine conditions. Participants evaluated the offer in terms of perceived fairness of the offer's overall price using three nine-point items adapted from Martins (1995).

An ANOVA revealed that fairness was affected by significant main effects of total price level ($F_{2, 203} = 38.77, p < .001, \text{partial } \eta^2 = .28$) and price presentation ($F_{4, 203} = 28.88, p < .001, \text{partial } \eta^2 = .22$) and a significant interaction between these factors ($F_{4, 203} = 8.93, p < .001, \text{partial } \eta^2 = .15$). The pattern of results supported our prediction. At the low price level, the separate prices were evaluated as significantly less fair than the all-inclusive price for both the 8.5% and 28.5% shipping charges. However, as the price level increased, these differences decreased to the extent that, for the high price level, all price presentations were evaluated as equally fair.

In addition, whole number dominance suggests that a given offer may be evaluated differently depending on whether the additional charge is presented as a percentage or a dollar amount. For a product priced below \$100, the face value of an additional charge will be greater when stated as a percentage than when stated as a dollar amount. For example, for a \$50 product, 10% is equivalent to \$5, but $10 > 5$. The reverse will be true when the product costs more than \$100. For example, for a \$200 product, 10% is equivalent to \$20, but $10 < 20$. Consequently, if whole number dominance effects are present, perceptions of an offer containing an additional charge presented as a percentage (e.g., \$50 + 10%) will be *less* favorable than the same offer with an equivalent dollar value additional charge (e.g., \$50 + \$5) when the base value is *less* than \$100. However, perceptions of an offer containing an additional charge presented as a percentage (e.g., \$200 + 10%) will be *more* favorable than the same offer with an equivalent dollar value additional charge (e.g., \$200 + \$20) when the base value is *more* than \$100. Study 2, which used a scenario similar to Study 1, provides support for this prediction, both in the context of an additional shipping charge and a promotion in which the shipping charge is waived.

These studies provide evidence that when people are presented with a base value and an additional percentage, the concreteness principle operates through whole number dominance. That is, consumers tend to view a percentage in terms of face value, as opposed to underlying value. In addition, the base value serves as a reference point for evaluating the magnitude of the percentage, and hence the attractiveness of the offer. Our findings have both managerial implications, in terms of the optimal presentation of prices, and public policy implications, in that various price presentation formats may be inherently misleading to consumers.

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LEADER-FOCUSED SEARCH: HOW A TENTATIVE PREFERENCE INFLUENCES INFORMATION SELECTION

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ABSTRACT

During predecisional choice processes, consumers are either engaged in the evaluation of information, the seeking of new information, or a combination of the two. Upon evaluating early information, most consumers spontaneously form a tentative preference for one of the options. Though research has revealed a tendency for consumers to bias their evaluation of new information to favor a leading brand (Russo, Meloy and Medvec 1998), we are aware of no systematic exploration of how the existence of a leading brand influences consumers' search for new information.

Given that consumers bias product evaluations to support their leading brand, a logical prediction is that consumers will search for information that they expect confirms their leader as the best option overall, i.e. the mere tentative preference for a leader during a predecisional choice process will compel consumers to seek information they expect will support this preference (i.e. preference-confirming search). In contrast, it is possible that consumers may opt to focus their attention on a focal option (Buehler and McFarland 2001). Presumably, in predecisional choice contexts, the leading option would be focal. If so, then consumers would seek information about their leader (i.e. leader-focused search).

In studies 1-3, participants (under-graduate students) examine a sequence of attributes, each of which presents information for a pair of products on that attribute. After participants have viewed all the attributes, and indicated a leader choice after viewing the final attribute, participants are given a choice to read one of two blogs, each of which provides information about one of the two products. When information available is positive about both products, both tendencies (i.e. tendency for preference-confirming search and tendency for leader-focused search) will result in the selection of positive information about the leader. However, when information about the products is negative, preference-confirming search predicts that consumers will seek to examine negative information about the trailing option (to confirm their hypothesis that the leader is better), whereas leader-focused search predicts that consumers will seek to examine new information about the leader, even if such information is negative.

Study 1 (Study 2) relates to a choice between two hotels (backpacks). In each study, participants were assigned to either a positive information condition or a negative information condition. In the positive (negative) information condition, each blog provided positive (negative) news about one of the products. Blog choice data revealed that participants chose to read the blog about their preferred product more often than the blog containing information about the trailing product, and the tendency to read the blog about the leader was *unimpacted* by whether the information in the blog was expected to be positive or negative. Thus, it seems that consumers exhibited leader-focused search, and not preference-confirming search, when seeking new information in the presence of a leading option.

In Study 2, we also examined blog choice in an additional condition, wherein the two blogs were expected to provide comparative statements indicating that one, or the other, product was better. Since both blogs provided information about both products, consumers could not exhibit leader-focused search

in this condition. We found that participants were still not more likely to select the blog that was expected to cast their leader in a positive light over the blog that was expected to cast their leader in a negative light, i.e. participants still did *not* exhibit preference-confirming search.

In Study 3, we again gave participants the option of reading two blogs, each of which provided negative information about either the leading product or the trailing product. In this case however, a pair of pretests rated one of the blogs as providing less diagnostic information. We still found that participants preferred to read the blog that gave information about their leader, even if this meant reading a blog that was less diagnostic. Thus the tendency to exhibit leader-focused search can have material consequences for the quality of the information search.

In study 4, we sought to determine whether preference-confirming search (in any fashion) would emerge using the approach employed in the studies above. We reasoned that preference-confirming search would be most likely to exist when individuals had strong preferences, and found that this was indeed the case. University students in the positive (negative) information choice selected between two online columns that presented positive (negative) news about either their own basketball team or a rival school's team. Most students in the positive information condition opted to read about the leader, i.e. their own team, whereas *significantly fewer* students in the negative information condition opted to read about the leader. This behavior suggests that strong preferences, e.g. as in post-decisional contexts, result in preference-confirming information search.

Overall, what we found is that leader-focused search, and not preference-confirming search, drives consumers' information search in pre-decisional contexts. This finding has important implications for marketers seeking to influence consumers' choice processes in predecisional contexts.

(References: Available on request.)

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IMPULSIVE AND COMPULSIVE BUYING BEHAVIOR: THE AFTERMATH OF HURRICANE KATRINA

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ABSTRACT

Although a substantial body of work has examined outcomes of and reactions to the events that occur during an individual's lifetime, the findings have contributed little to the understanding of specific consumer behaviors that may result. As the occurrence of individual (e.g., divorces and job layoffs) and community-wide (e.g., floods and hurricanes) events continue to complicate people's lives, the impact of life events on consumer behavior emerges as a timely and relevant issue for marketers. Nevertheless, while the emotions associated with the occurrence of an event have been linked to coping behaviors such as increased use of drugs (Jessor 1981) and alcohol (Zisook & Mulvihill 1990), the event-outcomes relationship has not yet been fully examined in the marketing literature. The present study addresses this void by investigating the relationship between the emotional distress caused by a single catastrophic event, Hurricane Katrina, and outcomes as they relate to consumer behavior.

The largest natural disaster in U.S. history, Hurricane Katrina provides a unique research context to expand the application of the life event concept to consumer behavior and, specifically, examine the relationship between events and excessive consumption behaviors within the context of marketing. At a time when hundreds of thousands of Gulf Coast residents have been forced to endure dramatic disruption and instability in their lives, an increased understanding of the consumption-related consequences of this event has significant implications for policymakers, marketing managers, and academics.

While events have previously been linked to emotional arousal, illness, and behavior there are "tremendous individual differences" (Seligman et al. 1988, p. 93) in outcomes among those who have experienced stressful events (Andreason 1984). These findings suggest that event-induced outcomes may be a consequence of individual factors that influence the evaluation of and emotional response to the occurrence of an event. In an effort to explore consumption-related behaviors resulting from Hurricane Katrina's landfall, five hypotheses are proposed. These hypotheses examine the relationships between causal inferences and stress (H1), possessions and stress (H2), stress and depression (H3), depression and impulsive buying (H4), and depression and compulsive buying (H5):

- H1: Individuals who perceive lack of control will be more stressed about their situation.
- H2: Individuals who lose more personal possessions will be more stressed about their situation.
- H3: Individuals who experience event-induced stress will be more likely to feel depressed.
- H4: Individuals who feel depressed will be more likely to engage in impulsive buying behavior.
- H5: Individuals who feel depressed will be more likely to engage in compulsive buying behavior.

The model constructs were measured using self-report measures of perceptions. The antecedent effects of hurricane exposure and perceived control on the relationship between the event and

subsequent levels of stress were adapted from Goenjian and his colleagues (2001) in their study of Hurricane Mitch victims. A scale containing three items was created in order to measure the extent to which respondents suffered loss of possessions. The Impact of Event Scale (IES) (Horowitz et al. 1979) was used to measure event-induced anxiety. Depression was measured using the 7-item Beck Depression Inventory for Primary Care (BDI-PC), which measures cognitive and affective symptoms of depression (University of Pennsylvania Health Systems 2006). To measure behavioral outcomes in the study, respondents were presented with a list of consumption-related items drawn from scales developed by Faber and O'Guinn (1988) and Rook and Hoch (1985) then asked to identify the extent to which they agreed with each statement. Four items were used to measure impulsive buying and five were used to assess compulsive buying behaviors.

The survey instrument was pretested using students (n=15) from an MBA class at a large metropolitan university in the affected area. Based on the pretest results and feedback, minor modifications to the survey were made. Subsequently, a snowball sampling approach was employed wherein an initial list of 173 non-student email addresses of Hurricane Katrina victims was compiled. An email was composed in which respondents were encouraged to respond to the survey and forward the email to others that they knew who had been impacted by Hurricane Katrina. The online survey was left active for a thirty-day period during April 2006. At the close of the survey, 451 responses were received. Twenty-four of these responses were deemed unusable due to significant non-response, resulting in an adjusted sample size of 427.

The model was tested using the two-step procedure advocated by Anderson and Gerbing (1988). A correlation matrix was created and subjected to confirmatory factor analysis using LISREL 8.80. Results from the measurement model exhibited acceptable levels of fit with $\chi^2_{(284)} = 753.45$, non-normed fit index (NNFI) = .97, comparative fit index (CFI) = .97, incremental fit index (IFI) = .97, and root mean square error of approximation (RMSEA) = .062. Proceeding to the analysis of the structural model, the proposed model had a resulting NNFI=.97, CFI=.97, IFI=.97, RMSEA=.062, and $\chi^2_{(292)} = 763.93$.

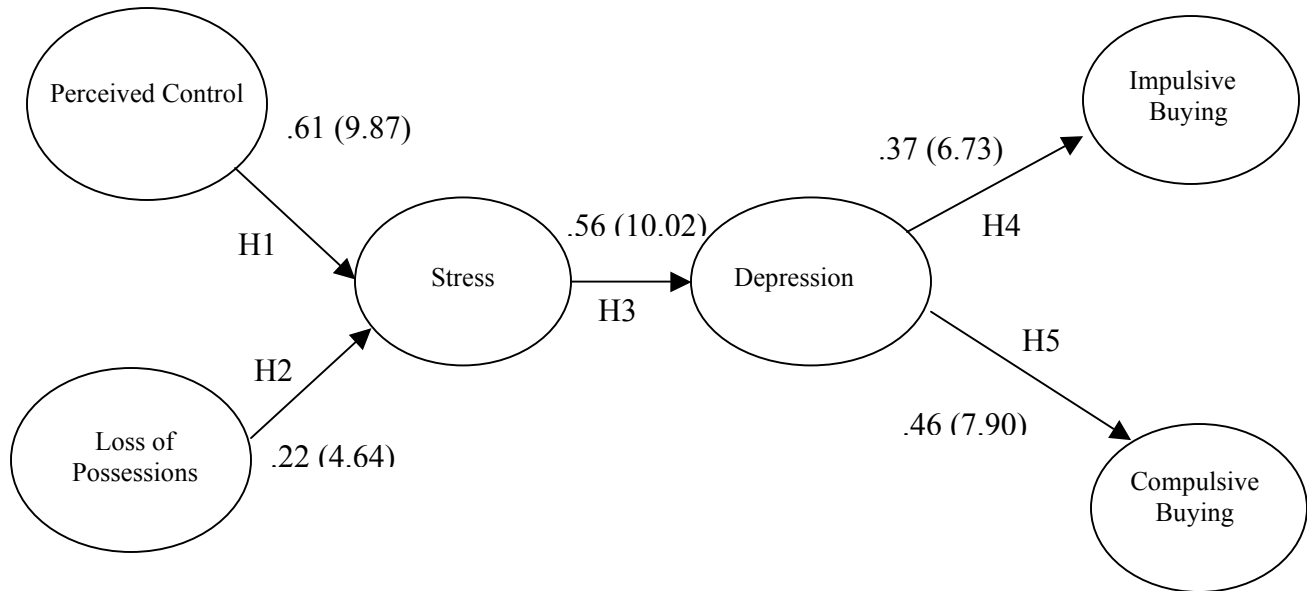
Given the satisfactory fit of the model, the standardized coefficients for the structural relationships were examined. As shown in Figure 1, all of the hypotheses were significant ($p < .001$), providing support for hypotheses H1-H5. Perceptions regarding the lack of control were shown to influence stress level and loss of personal possessions also influenced level of stress, providing support for H1 and H2, respectively. As predicted by H3, event-induced stress was found to impact level of depression. Finally, depression was shown to have a significant effect on impulsive (H4) and compulsive (H5) buying behaviors.

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FIGURE 1
Hypothesized Model With Results^a



Note: t-values are in parentheses.
a: All results standardized.

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CHOCOLATE, CHIPS, AND BEER: PREDICTING IMPULSIVE CHOICE AND CONSUMPTION WITH IMPLICIT MEASURES

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Wilhelm Hofmann, University of Wuerzburg, Germany
Michaela Wanke, University of Basel, Switzerland

ABSTRACT

Over the last years, researchers in social psychology have invented numerous so-called implicit reaction time measures such as evaluative Priming (Fazio, Sanbonmatsu, Powell, & Kardes, 1986) or the Implicit Association Test (IAT, Greenwald, McGhee, & Schwartz, 1998). These measures are supposed to assess such constructs as attitudes, stereotypes or self-concept indirectly by measuring associations in the associative network. They rely less on participants' capability and willingness to introspect than more direct, explicit measures. Implicit measures offer new insights into research in consumer psychology.

Contemporary dual-process theories assume that explicit self-report measures particularly predict behavior that is deliberately controlled while implicit measures should be better in predicting largely uncontrolled behavior (e.g., Fazio & Towles-Schwen, 1999; Strack & Deutsch, 2004). In the past, researchers have investigated this hypothesis with regard to different kinds of behavior (i.e., controlled verbal vs. uncontrolled non-verbal behavior). We hypothesized that implicit and explicit measures can predict one and the same consumer behavior such as choice or consumption depending on the control resources an individual has available. More concretely, implicit measures should predict behavior better under conditions of low resources. Explicit measures should predict the same behavior better under conditions of full resources.

Based on these assumptions Study 1 tested the moderating impact of cognitive capacity. Participants completed explicit attitude measures in the first, and an IAT (Greenwald et al., 1998) relating to chocolate and fruit in the second session that followed about one week later. At the end of the second session, participants could choose five pieces of fruit and/or chocolate bars out of a large variety as a compensation for their efforts. Half of the participants performed the choice task with nearly full cognitive capacity, keeping in mind a one-digit number. The other half was instructed to keep in mind an eight-digit number (Gilbert & Hixon, 1991). As expected, the implicit measure predicted choice behavior well for participants with reduced but not full cognitive capacity. The opposite pattern emerged for the explicit measure.

In Studies 2 and 3 we extended this approach from cognitive capacity to self-regulatory resources. The model of self-regulation assumes that the ability to self-control relies on a limited resource (e.g., Muraven & Baumeister, 2000). The exertion of self-control depletes this energy, leading to a reduced ability to self-regulate and inhibit one's impulses. Thus, impulsive tendencies will be more influential in any subsequent behavior requiring self-control. We reasoned that implicit measures should predict consumer behavior better for participants depleted of self-regulatory resources than when resources were plentiful.

In our second study in the “media and entertainment domain” an IAT with only one target category (SC-IAT, Karpinski & Steinman, 2006) assessed participants’ spontaneous reactions toward potato chips. Following an explicit attitude measure, one half of participants were depleted of self-regulatory resources by suppressing their emotions during an engaging and emotionally arousing film clip while the other half watched the film clip normally (e.g., Baumeister, Bratslavsky, Muraven, & Tice, 1998). Later on, participants engaged in a taste and rate task of potato chips. After the session, we unobtrusively measured how much each participant had eaten. In line with hypotheses, the SC-IAT predicted potato chips consumption in the condition with depleted self-regulatory resources, but not in the control condition. The opposite pattern was found for the explicit attitude measure.

In the third study, we replicated and extended this finding in the domain of beer drinking. Specifically, after completing an SC-IAT on beer, explicit attitude measures and a similar emotion suppression task as in Study 2, participants tasted and rated two bottles of beer in an alleged market research study. In addition to implicit and explicit attitude measures we included drinking restraint standards as an additional predictor of beer consumption. Similar to explicitly endorsed attitudes restraint standards are a product of higher order reasoning. In contrast to explicitly endorsed attitudes, restraint standards do not rely on an evaluation of the product (“I like beer, but I don’t want to drink too much”). For restraint standards to influence behavior regulation an individual needs resources to transfer such higher order constructs into concrete behavioral schemata. In line with this reasoning we found the implicit measure to predict beer consumption for participants depleted of self-regulatory resources, but not in the control group. Conversely, explicitly measured attitudes and drinking restraint standards predicted behavior for participants with full, but not scarce resources, as expected.

In sum, we found evidence for the assumption that available control resources moderate the predictive validity of implicit and explicit measures in three studies for three different types of consumer behavior (choice, eating, drinking). Although manipulations of cognitive capacity and self-regulatory resources differ in many regards, they were functionally equivalent in that they led to similar patterns of results. In research on self-regulation, up to now researchers inferred impulsive behavior from mean differences between groups (e.g., more consumption of a tempting food; Shiv & Fedorikhin, 1999; Vohs & Faber, 2007). Non-significant mean differences were interpreted prematurely to signal ineffective experimental manipulations. The current approach allows for a more fine-grained analysis. Differential predictive validities show that different processes drive behavior under different conditions even in the absence of mean differences. These findings have important implications for research on consumer behavior. Self-regulatory challenges like the ones our participants faced in the present studies are omnipresent in daily life. For example, cognitive capacity is easily disturbed by talking to an acquaintance, listening to music, or trying to remember something while being engaged in other behaviors such as shopping or consuming food. Similarly, numerous daily activities deplete self-regulatory resources and demands on self-regulatory resources may be much higher in everyday life than in the present studies (e.g., Schmeichel & Baumeister, 2004). The current studies provide interesting insights in at least two respects: First, higher order constructs such as explicitly endorsed attitudes or restraint standards are dramatically less effective in guiding various consumer behaviors under conditions of low control resources. Second, impulsive tendencies drive behavior instead in such situations. Implicit measures are capable of tapping into the relevant parts of the associative store to map such impulsive tendencies.

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SELF-CONTROL PERFORMANCE ENHANCES SELF-CONTROL PERFORMANCE AT SIMILAR TASKS

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Kelly Geyskens, Lessius Hogeschool & KULeuven

ABSTRACT

The self-regulation strength model states that exerting self-control taxes a limited resource that is 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 in the period following their previous self-control effort. Although the basic finding is undisputed, the nature of the scarce mental resource remains elusive. Based on cognitive control theory, we propose that depletion effects result from an individual's attempts to adapt to a situation characterized by a response conflict. This adaptation involves the recruitment of control processes to *increase* the fit between the individual's response set and the demands of that particular situation. As a consequence however, the fit between the individual's response set and the demands of a new situation characterized by a response conflict recruiting different control processes temporarily *decreases*. The implication is that the typical depletion effect should occur only if successfully dealing with the subsequent response conflicts in two self-control situations requires dissimilar control processes, but that it should *reverse* if similar control processes are required (i.e., self-control should improve).

In the first study, half of the female participants initially restricted their urge to consume sweets, which is assumed to be depleting, and engaged in a taste test (similar control processes) or a word anagram (dissimilar control processes) afterwards. Participants who inhibited their eating in phase one performed worse on the anagram task (i.e., replicating the depletion effect), but performed better on the taste test (i.e., reversing the depletion effect) than participants who initially engaged in a non-demanding control task.

In the second study, participants initially made 12 binary product choices or engaged in a non-demanding control task. Manipulated between subjects, choices presented a conflict between a planned purchase and an unplanned temptation (i.e., impulsive choices) or between an immediate but more expensive and a cheaper but delayed selling offer of the same product (i.e., impatient choices). Subsequently, all participants made two choices of either an impulsive or an impatient nature. In comparison with the control condition, self-control options were selected less often after a series of dissimilar choices (i.e., replicating the depletion effect), but more often after a series of similar choices (i.e., reversing the depletion effect).

Our data thus provide strong support for the cognitive control model. Implications for the self-regulation strength model are drawn and avenues for future research are sketched.

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**RETROSPECTIVE, REAL TIME, AND ANTICIPATED CONSUMPTION:
TEMPORAL PERSPECTIVE AND PREFERENCE**

Special Session Chair:
Shane Frederick, Massachusetts Institute of Technology

Discussion Leader:
Joseph Simmons, Yale University

DECISION AMNESIA: WHY TAKING YOUR TIME LEADS TO FORGETTING

Zoë Chance, Harvard University
Michael I. Norton, Harvard University

ABSTRACT

This research reveals a novel means of coping with conflicted choices: forgetting them altogether. Because difficult decisions are the most psychologically costly, people are most likely to demonstrate this decision amnesia for decisions they spend longest considering. In a series of studies, we show that decision difficulty impairs both memory for choices and even memory for having made a decision at all: The longer participants were exposed to choice sets, the less likely they were to remember ever having seen them. Thus rather than cope with the agony of regret, people may simply forget.

TIME IS FLYING, WE MUST BE HAVING FUN

Leif D. Nelson, University of California San Diego
Tom Meyvis, New York University

ABSTRACT

If time flies when you're having fun, then perceiving flying time might make experiences more fun. This combination of lay theory and misattribution was tested in four studies looking at anticipated and ongoing enjoyment. When made to feel that the following weekend would go by faster, thought that they would enjoy it more (Study 1). Furthermore, an accelerated timer made a song more likeable (Study 2) and a noise less irritating (Study 3). Finally, this effect was limited participants who focused on elapsed time rather than prospective time (Study 4). We discuss the implications for the role of time perception in consumer preferences.

WHEN I'M 64: TEMPORAL REFERENCING AND DISCOUNT RATES

Shane Frederick, Massachusetts Institute of Technology
Daniel Read, Durham University
Robyn A. LeBoeuf, University of Florida

ABSTRACT

We examine the effect of “temporal referencing” on discount rates. We show that respondents exhibit much lower discount rates when the timing of a future reward is indexed by the corresponding age (“when you are 47”) than when it is indexed by the length of the intervening time period (“in 10 years”). This framing effect is shown to be especially large among younger people and to gradually diminish with age. We discuss the implications for the marketing of financial instruments.

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THE IRB AND 21ST CENTURY SOCIAL SCIENCES: ISSUES, QUESTIONS, AND SOME ANSWERS

Special Session Chair:
Douglas Hausknecht , University of Akron

Discussion Leader:
L.J. Shrum, University of Texas at San Antonio

HUMAN SUBJECTS ISSUES IN GLOBAL RESEARCH

Douglas R. Hausknecht, The University of Akron

ABSTRACT

It has been 60 years since the Nuremberg Code was stated in the verdict statement of the infamous war crimes trial. That was the first codification of an international principle of research subject protection.

In the intervening decades, most research has progressed within defined domestic borders. Each nation has instituted its own policies and procedures for medical, pharmaceutical and sometimes academic research. That approach has worked well to a point but conflicts have arisen and differences in standards may have resulted in research venue shopping among pharmaceutical companies, for example.

Consumer research, with other academic disciplines, has become more global. Research populations and samples are defined globally and studies cross borders as researchers travel or choose to work with distant colleagues. Seldom are the human subjects protections standardized. The United States' guidelines on human subjects research have traditionally been cautious about projects outside the country.

The paper reviews procedures in a variety of locations, including recent changes in the European Union. Recommendations for researchers and Institutional Review Boards (IRBs) include research design, sampling and consent issues. Contacts for local standards are also suggested.

To a large extent, social science research follows the lead of medical research in determining the ethical treatment of subjects. Concepts such as informed consent, incentives, interventions, and confidentiality carry through to the newer research arenas. The recent pharmaceutical case in England conveys an instructive lesson regarding subjects' motivation to participate in research.

Recently, the European Union has embarked on an ambitious campaign to harmonize the conduct of research throughout the region. Known for the protection of human rights, the EU strongly

endorses Research Ethics Committees that oversee a broad range of research activities. University researchers, however, still face an array of procedures and oversight committees.

As globalization proceeds, data collection in distant locations is undertaken as comparisons or to enhance sample sizes. Big Emerging Markets such as India, Brazil and China have generated considerable interest among commercial researchers. Academic research has followed not far behind in these areas. In many cases, US domestic IRB guidelines seek approval from non-existent authorities. Inconsistent permission from ad hoc authorities or committees is sometimes the result. The danger, of course, is that problems may arise and create untenable situations for the investigators, their institutions and the government.

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RECOMMENDATIONS FOR SUCCESSFUL IRB SUBMISSIONS: REALLY, THIS IS NOT ROCKET SCIENCE

David W. Schumann, University of Tennessee

ABSTRACT

Over the past four years, I have had the opportunity to serve as the business school's representative to our university IRB. It is, to say the least, the most intriguing and important committee on which I serve. It has retained my faith that universities produce important and critical research for the betterment of society. Having observed first hand how our IRB operates and hearing numerous horror stories from researchers at other schools, I believe that our university has very good practices and processes in place that work to the advantage of the researcher. I have learned much about how to "play the game," how to get relatively quick approval for one's research, and how to do it "right."

This presentation serves two purposes. First, it details certain philosophies, practices and policies of an IRB that focuses on working efficiently with faculty to adhere to the policies set forward by federal statutes. It starts by clearly differentiating what can be approved at the academic department level (Department Review Committee) and what must be submitted to the university IRB. When submitting to the university IRB, what can be "expedited," and what must go to the full committee. The presentation goes into detail as to what kind of issues are discussed when a paper comes to full committee. Finally, it discusses the type of requests that are typically asked for in a revision and the various types of revision recommendations that are employed.

The second purpose of this presentation is to focus on specifics recommendations that researchers can incorporate into their IRB proposals that will make the process much smoother. For example, this paper will discuss how one should describe 1) the research overview, 2) sampling procedures, 2) recruiting steps, 4) consent/ assent forms, 5) and the risks and benefits of the research.

Finally, this presentation will include a brief discussion of the issues surrounding "mission creep," a term used by many to describe the state of university IRB practices.

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HUMAN SUBJECT PROTECTION AND GOOD RESEARCHER RELATIONS: IT HAPPENS

Sharon McWhorter, The University of Akron

ABSTRACT

Too often, the Institutional Review Board (IRB) is viewed as an obstruction to the conduct of a research study. Investigators find the process onerous, the demands intrusive and decisions arbitrary. The result is that the process is met with trepidation, short-changed or – at worst – bypassed altogether.

Often researchers fail to see the benefits offered by IRB oversight. IRB input can provide researchers an objective assessment of the research methodology and offer suggestions to minimize risks and maximize benefits. In addition, standardization of procedures reassures subjects that the research meets ethical and safety standards. Universities, government agencies, foundations, companies and other sponsors of research often require such approval. It is to the researcher's benefit to follow the procedures that are in place in order to avoid complications and the inability to disseminate findings in the future.

Review of human subjects research in the social and behavioral sciences is complicated by the imperfect fit with the regulations, which were written with medical research in mind. The Office of Human Research Protections (OHRP) has recognized the difficulties IRB's have had in trying to insure appropriate review of this research. OHRP has issued a number of guidance documents over the past few years to encourage IRB's to appropriately review research that poses minimal risk. These include a series of decision trees to determine first of all if a study involves "research on human subjects" and then to determine the appropriate level of review; clarification of what it means for an institution to be "engaged" in human subjects research; and guidance on research involving the collection of coded private information.

The use of technology has also changed the way many studies are conducted. Web-based surveys, in particular, pose new issues for researchers and IRB's to consider. How is data security guaranteed; how is consent solicited and documented; how is voluntariness assured; how is subject recruitment controlled?

An IRB can function in collaboration with researchers in the design of safe research that has true consent from subjects. One way is to have representatives from a variety of disciplines and research traditions on the board. Another is to provide adequate training and educational opportunities for researchers. A third is to provide a clear description of the review process, and forms and procedures that recognize the flexibility that IRB's have in implementing the regulations.

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FOSTERING COLLABORATIVE INVESTIGATOR-IRB RELATIONSHIPS IN PSYCHOLOGICAL SCIENCE: REPORT FROM THE APA TASK FORCE ON IRBS

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ABSTRACT

One of the initiatives of the incoming APA President, Sharon Brehm, was to constitute a special APA Task for on IRBs. The impetus for this task force came from increasing complaints from behavioral researchers regarding problems dealing with IRBs, particularly for (but not limited to) those doing research that represented minimal risk to participants.

The charge of this task force is “to conduct a comprehensive review aimed at understanding and developing fully the issues facing psychological scientists as they and their local IRBs interact. By synthesizing existing data, and/or gathering additional data, the task force will identify the “disconnects” between psychologists and IRBs that lead to perceived or actual conflict. Having identified these disconnects, the task force can then address the following two critical questions:

- How can psychologists help IRBs meet the IRB mandate to protect research participants?
- How can IRBs help psychologists meet the investigator’s regulatory obligations for the protection of research participants?

From this comprehensive review and analysis, the task force will provide insight into the opportunities that exist for facilitating collaborative IRB-investigator relationships in the psychological sciences. With improved collaborative effort, IRBs and investigators in the behavioral sciences can work together to review and conduct psychological research that meets the highest standards of ethics and scientific rigor.” (communication from APA Science Directorate).

In this session, I provide a brief report of the findings of the task force (which is not yet available but will be completed by the end of the calendar year, and thus available for presentation at the SCP conference) and then serve as discussion leader. The overall goal is to provide researchers with enough information that they can positively facilitate their interactions with their own IRBs, thereby improving the quality and efficiency of their own research programs.

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ANYTIME VERSUS ONLY: MINDSETS MODERATE THE EFFECT OF EXPANSIVE VERSUS RESTRICTIVE FRAMES ON PROMOTION EVALUATION

Amar Cheema, Washington University in St. Louis
Vanessa M. Patrick, University of Georgia

ABSTRACT

In this research we investigate how framing a coupon redemption window as expansive (e.g., you can take advantage of the sale *anytime* between noon and 4 pm) or restrictive (e.g., you can take advantage of the sale *only* between noon and 4 pm), while keeping objective time constant, interacts with consumers' mindsets to influence promotion evaluation and usage.

Theoretical Background

We hypothesize that framing a promotion as restrictive or expansive has differential effects on promotion evaluation. A restrictive (only) frame may be perceived to be more precise and less ambiguous, making it more preferred, than an expansive (anytime) frame. However, when consumers focus on how feasible it is to avail of the promotion, the expansive frame is preferred because it is perceived to be longer and more accommodating than a restrictive frame. Thus, consumers evaluating the promotion offer in an abstract manner may prefer a restrictive frame while consumers who pay attention to the feasibility of availing the promotion may prefer the expansive frame to the restrictive one. Specifically, how a consumer views the promotion offer, i.e., their mindset (Heckhausen and Gollwitzer 1987) or level of action construal (Vallacher and Wegner 1987) influences promotion evaluation. Consumers may, for instance, be in a deliberative mindset and focus relatively more abstractly on why an action is performed (a high level of action construal) versus being in an implemental mindset and focusing more concretely on how an action is performed (a low level of action construal). We demonstrate that when consumers are in a deliberative mindset (high-level construal), they prefer the restrictive (vs. expansive) frame. In contrast, when consumers are in an implemental mindset (low-level construal), focusing on feasibility, they prefer the expansive (vs. restrictive) frame.

Overview of Studies

We demonstrate the effect of restrictive/expansive frames on promotion evaluation, and investigate the process underlying this effect, across three studies. In study 1 we manipulate participants' mindsets to be deliberative or implemental. We find that deliberative mindset consumers perceive a restrictive frame to be more precise than an expansive frame. Consumers in an implemental mindset do not change their precision estimates. However, consumers in an implemental mindset, paying greater attention to feasibility of availing the offer, rate the feasibility of redemption to be higher for the expansive (vs. restrictive) frame. Participants in a deliberative mindset do not demonstrate this effect of frame on feasibility. In study 2 we measure participants' chronic level of action identification (BIF, Vallacher and Wegner 1989) to classify them as high- (deliberative) or low-level (implemental) construers. We replicate the effect of framing on precision and feasibility for low- and high-level construers, respectively. We also demonstrate the process by which framing affects evaluation. High-level construers perceive the restrictive frame to be more precise than the expansive frame and prefer the former. In contrast, low-level construers perceive the restrictive frame to be less feasible than the

expansive frame and evaluate the latter more favorably. Thus, precision and feasibility mediate the effect of frame on evaluation for high- and low-level construers, respectively. Study 3 is a real-world demonstration of the effect of framing on coupon usage. We classify participants as high-level (deliberative) or low-level (implemental) construers. While high-level construers are directionally more likely to redeem restrictive vs. expansive frame coupons, low-level construers are significantly less likely to redeem restrictive vs. expansive frame coupons.

Boundary Conditions

We subsequently discuss the scope and boundaries of expansive vs. restrictive framing over a) temporal horizons, b) level of discount and c) different modalities. With longer temporal horizons, feasibility concerns are mitigated because consumers are more likely to use a higher (vs. lower) level of construal (Liberman and Trope 1998). We find that the framing effect is robust and persists even for smaller (e.g., 10% off) discounts. Importantly, we also demonstrate that expansive vs. restrictive framing is generalizable to other modalities besides framing of the coupon redemption window. When consumers are attending to the feasibility of availing a promotion, communicating restrictiveness vs. expansiveness via the name of a store (“only you store” vs. “anyone store,” respectively) differentially influences feasibility perceptions and usage in a manner similar to that of restrictive vs. expansive framing of redemption windows.

Conclusion

In today’s competitive environment marketers are under increasing pressure to improve the return on marketing investment. Thus far, managers have used restrictive or expansive frames without an understanding of the differential impact of these frames on promotion evaluation. The present research suggests that making a promotion offer more attractive by framing the redemption window in a certain manner may increase purchase likelihood. Importantly, understanding *when* an expansive frame might work better than a restrictive frame is a key issue that this research addresses. For instance, we study the context of price-off coupons for the near future where the perception of redemption feasibility of expansively framed coupons drives traffic to the store. Also, significant for marketers who encourage purchase by providing coupons for purchases a month or two in the future, is that feasibility concerns are mitigated when the redemption period is in the distant future. In such cases perceptions of precision may lead to preference for restrictive frames. The implications of this research also go beyond the framing of promotion redemption windows. Our results indicate that there is immense scope for using expansive vs. restrictive framing in brand names, brand slogans, and marketing communications like advertising and direct mailers, to achieve specific marketing objectives. This remains a fruitful area for future research.

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**1995 FEELS SO CLOSE YET SO FAR: THE EFFECT OF “EVENT MARKERS”
ON THE SUBJECTIVE FEELING OF ELAPSED TIME**

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ABSTRACT

Why do some events feel more distant than others? Prior research suggests that aspects of the event itself can affect the dating of its occurrence. Our work differs in that we investigate *feelings* of elapsed time as is often revealed in people’s everyday expressions of how recent or distant an event seems. Further, we focus on how characteristics of the time interval *following* the target event can affect people’s feelings of elapsed time. We argue that a time interval that is punctuated by a greater number of events precipitated by the target event (“event markers”) will make the target event feel more distant. Across three studies we find that the greater number of event markers, the more distant an event feels. Further, the effect of markers is independent of other characteristics of the event, such as its memorability, its emotionality, and its estimated date.

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THE TIMES THEY'RE A-CHANGIN': TIME PERSPECTIVES AND THE RELIANCE ON FEELINGS

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ABSTRACT

Consumer judgments and decisions can be made either in a more cognitive, reason-based manner (by assessing, weighing, and combining attribute information into an overall evaluative judgment) or in a more affective, feeling-based manner (by inspecting one's momentary feelings toward the options). An emerging body of evidence suggests that the two modes of judgment and decision may tap into two separate systems: a reason-based, analytical system and a feeling-based affective system. However, the conditions under which either system dominates are still unclear. The general proposition for this work is that the affective system is more likely to be engaged in judgments and decisions that are anchored in the present than in comparable judgments and decisions that are anchored in a more distant time horizon, whether future or past. The affective system seems to be a system that focuses on the present (rather than on the distant past or distant future) in consumers' decision making process. This is because the affective system lies in the more primitive part of the brain and has evolved overtime to help our ancestors make choices in their immediate, present environment (see Pham 2007). Thus, the design of this system seems to be more operative in the present time. Specifically, we posit that consumers are more likely to use their feelings to make judgments and decisions when the time perspective is closer to the present (e.g., when deciding to rent an apartment for *next week*) than when the time perspective is more distant (e.g., when deciding to rent an apartment *several months into the future*). In other words, the consumers' temporal perspectives influence the relative weight they place on the feeling-based versus reason-based systems in judgments and decisions.

The effect of temporal perspectives on consumers' reliance on the feeling-based vs. reason-based system in valuation was tested in various marketing contexts, including apartment choices, charitable donations, and willingness to pay for music CDs. We employ both direct and indirect methods to assess the use of feelings in consumer judgment and decision making. In the first experiment, we demonstrate that – when given a choice between two apartments, one that is superior on the affective dimensions (e.g., breathtaking views, lots of light) and one that is superior on the cognitive dimensions (e.g., bigger rooms, cheaper rent) – consumers deciding for the immediate future tend to choose the apartment that is superior on the affective characteristics, whereas consumers deciding for the distant future tend to choose the apartment that is superior on the cognitive characteristics. To further demonstrate that consumers are more likely to use their feelings as inputs in deciding about present events rather than about distant events, we show in another experiment that consumers' incidental moods (positive vs. negative) are more likely to influence their decisions to rent a particular apartment when these decisions are imminent than when the same decisions are remote.

Recent research has documented that the feeling-based system in valuation tends to be relatively scope-insensitive. That is, when consumers rely on feelings in assessing value, they tend to not take into account quantitative information such as magnitude or scope of the product (e.g., the number of CDs in a bundle) in their subjective valuation of this product (Hsee and Rottenstreich 2004). In the next two studies, we infer the use of feelings vs. reasons in consumers' judgments and decisions through the

scope-insensitivity bias. Experiment 3 examines consumer decision making in the context of donation to save panda(s) from a construction that would destroy their natural habitat. Consumers donate about the same amount of money to save one panda or four pandas from a construction scheduled in the near future (i.e., two months later). In contrast, they are willing to donate significantly more money to save four pandas than one panda from a construction scheduled in the distant future (i.e., two years later). These three experiments thus far have focused on contrasting the influence of feelings on decisions for the present vs. for the future. In the fourth study, we also demonstrate that consumers are more likely to exhibit scope insensitivity (use feelings-based system) in their valuation for *The Beatles* CDs when prompted to think about the recent past than about the distant past. More importantly, results from these four studies emerge holding the affective experience constant and outside of the delay of gratification and self-control domains.

These findings suggest that – given two systems available for decision making – consumers seem to shift the relative weights they place on their affective vs. cognitive systems in assessing value in judgments and decisions, using their feelings selectively depending on the temporal perspectives. This suggests that reliance on feelings as inputs to judgments and decisions can be more flexible than previously thought in the literature. One of the implications from these findings is that marketers can design different product appeals – with an affect-focus or a reason-focus – depending on the anticipated timing of consumers’ decisions for the particular product consumption (for instance, certain purchase decisions are usually planned in advance).

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MORTALITY SALIENCE'S EFFECT ON CREATIVE CONSUMPTION

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ABSTRACT

How do humans alleviate the fear that arises from the knowledge of an inevitable death? How can we keep this ultimate anxiety at bay and remain calm, happy and functional in our everyday life? Previous research based on Terror Management Theory has identified various mortality fear buffers. However, some of the identified mortality buffers spell social dissonance including greater materialism (Kasser & Sheldon 2000), derogation of out-groups (Greenberg et al. 1990), and physical aggression against those who attack one's political orientation (McGregor et al. 1998). How can we maintain equanimity in a healthy, nondestructive manner? Further, can we achieve equanimity in a way that is accessible to the maximum number of people, for example, through daily, commonplace consumption such as crafting and artistic photography? Our research investigates creative consumption's power in ameliorating existential anxiety. Creative consumption, like creative pursuits in general, often leaves an outcome that adds to the richness of the future, thus contributing to individuals' well-being (Csikszentmihalyi 1996). Creativity is widely valued in American culture, as "the glorification of the individual personality" and "conviction of superiority" (Rank 1932). Therefore, we conceptualize creative consumption as a mechanism toward self-esteem enhancement. Drawing from Terror Management Theory, whose literature has abundantly recorded mortality salience's positive effect on self-esteem enhancement, we hypothesize that mortality salience would boost interest in creative consumption. The linkage between mortality anxiety and creative pursuits has long been understood. For example, Rank (1932) contended that art is essentially the externalization and preservation of the personality and soul, which arises from the problem of death. Our research takes the first step in investigating this causal link via experiments.

A series of four experiments are conducted. Two experiments measure creative interest without providing any alternative in the dependent measure. The corresponding results support the hypothesis: when people are reminded of their own eventual mortality, they show greater interest in creative consumptions. The other two experiments juxtapose creative activities with non-creative activities in the dependent measures, and the results run counter to the hypothesis: mortality salience drives people away from creative consumption toward non-creative outlets such as shopping and television watching. Although creative activities are potent at alleviating mortality fear and may even have better long-term effects compared to some common pastimes, they lack the initial appeal compared to non-creative activities that demand less psychic investment from individuals. We speculate that two factors may have dampened creative consumption's initial appeal: 1) inadequate self-efficacy in creative activities; and 2) temporary isolation from others during an individual's creative endeavor. These constraints need to be attended to, both in the authors' future laboratories and in consumers' real life, before we can fully release creative consumption's potency in shielding the fundamental anxiety.

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TO BE OR TO FEEL: THE IMPACT OF VISUAL PERSPECTIVES ON THE PERSUASIVENESS OF FUTURE SELVES

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Drawing on the distinction between the “self-as-object” and “self-as-subject” (James 1892), we propose that consumers often make decisions by considering either their *future being-selves* – the idea of what they might become – or their *future feeling-selves* – the anticipation of the thoughts and feelings they might experience in the future. For example, to decide whether to attend a public speaking seminar, a consumer might visualize her/himself confidently giving a talk and reflect on what becoming a better communicator looks like (being-self). On the other hand, the same consumer might decide whether to spend a week in Cancun by anticipating the feelings s/he will experience while drinking a mojito on the beach (feeling-self).

Images of one’s future self can be visualized either through a third-person perspective (i.e., looking through the eyes of an external observer) or a first-person perspective (i.e., looking through one’s own eyes). The visual perspective can affect the inferences made about an imagined scenario (e.g., Nigro and Neisser 1983); in particular, the third-person perspective leads to more dispositional inferences (e.g., Frank and Gilovich 1989) and highlights the broader meaning of the imagined event (Vasquez and Buehler 2007), whereas the first-person perspective discloses more information about affective reactions, physical sensations, and psychological states (e.g., McIsaac and Eich 2002).

We propose, and test in two studies, that the third-person perspective, by highlighting the broader meaning and the dispositional consequences of an imagined situation, increases the attractiveness of future being-selves, whereas the first person-perspective, by disclosing more information about one’s state of consciousness, increases the attractiveness of future feeling-selves.

The first study had a 2 (visual perspective: first vs. third) \times 2 (future self: feeling-self vs. being-self) between-subject factorial design. Seventy-six participants (48 females and 1 missing value, average age 21.8 years) were presented with a short description of a new book that supposedly provided techniques to improve performance in school and asked either to imagine themselves having a better way of studying, mastering course material, and becoming an expert in a subject domain (future being-self) or to visualize themselves getting higher grades on exams and to imagine how it feels (future feeling-self). The visualization task was performed either through a first- or a third-person perspective. After having described the scene, participants were asked to confirm the visual perspective through which they imagined the event; only respondents who adopted the intended visual perspective (i.e., scored above the scale midpoint) were retained for further analyses¹. Participants also reported their attitude toward the book ($\alpha = .91$), the highest price they would be willing to pay for the book, the vividness of their mental imagery ($\alpha = .83$) and the ease of imagination ($\alpha = .90$). In all cases, we used 11-point items.

¹ This led to the elimination of 2 respondents from the first/feeling condition, 5 from the first/being condition, 5 from the third/feeling condition, and 6 from the third/being condition. An additional observation from the first/being condition was eliminated for having reported only 11s and 10s and being willing to pay \$100 which was twice as much as the second highest price. Since individuals with low imagery abilities tend to report lower attitude toward imagery appeals, we removed from the analysis 7 respondents whose reported imagery vividness was more than 1.96 standard deviations lower than their experimental condition mean. The final sample consisted of 50 observations (28 females, average age = 22.2).

As expected, the interaction between visual perspective and future selves was significant ($F_{1,46} = 6.05$, $p = .02$, $\omega^2 = .12$). Future feeling-selves were more persuasive when imagined through a first-person ($M = 8.00$) than a third-person perspective ($M = 7.21$), whereas future being-selves were evaluated more favorably when imagined through a third- ($M = 8.10$) than a first-person perspective ($M = 6.36$). Further analysis suggested that the vividness of imagination, but not the ease of imagination, mediated the interaction effect between future self and visual perspective on attitude.

Study 2 aimed to replicate results from the first study by manipulating the vantage point through temporal distance which increases the likelihood that an event is imagined through a third-person perspective (e.g., Pronin and Ross 2006).

After being presented with a brief description of a vacation destination or a communication and presentation skill workshop, sixty-six participants (42 females, average age 23.2 years, one participant who failed to imagine the intended consumption experience was excluded) were asked to imagine enjoying the vacation or being empowered with better communication skills, either the next week or in three years from now, and describe the mental images, thoughts, and feelings they had experienced. Afterwards, respondents reported their visual perspective in imagination along with their attitude toward the respective products ($\alpha_{\text{vacation}} = .81$; $\alpha_{\text{workshop}} = .90$).

Results from a logistic regression suggested that, controlling for the type of product and the temporal distance/product interaction, distant-future events were more likely to be imagined through a third- than near-future ones (temporal distance: $p = .03$; product: $p = .13$; interaction : $p = .21$).

Two coders classified each description of the scene visualized as either a future feeling-self or a future being-self (agreement on over 84% of the cases, disagreements were solved by discussion). Thirty-one of the 34 participants who evaluated the vacation focused on their future feeling-selves (three respondents described scenes that could not be classified in either category). In the workshop condition, although all respondents (31) focused on their future being-selves (e.g., being empowered with new skills), 12 participants also mentioned how they might feel while presenting/communicating in public (e.g., feeling confident). The visual perspective and the particular future self imagined were statistically independent ($\chi^2_{(1, N = 48)} = 1.27$, $p = .26$), thus providing evidence that feeling- and being-selves can be imagined either through a first- or a third-person perspective.

Consistent with our hypothesis, a regression analysis suggested that the vacation was evaluated more positively when imagined through the first- rather than the third-person perspective ($\beta = -1.93$, $t_{27} = -2.41$, $p = .02$), whereas the effects of temporal distance ($p = .61$) and the interaction term ($p = .22$) were non-significant (covariates: age and gender, all p 's $> .77$). However, the impact of the visual perspective on the attractiveness of the workshop was non-significant (visual perspective: $\beta = .47$, $t_{22} = .62$, $p = .54$; temporal distance: $p = .46$; interaction: $p = .32$; gender: $p = .02$; age $p < .01$).

The two studies provide evidence that the persuasiveness of future selves depends on the match between the focus of imagination (e.g., being vs. feeling) and the visual perspective of imagination. Moreover, we provide evidence that the cognitive process through which self-images are generated (i.e., visual perspective) is independent of the way in which future selves are experienced (i.e., being-self vs. feeling-self). To our knowledge, this is the first work to examine different components of future selves and possible moderators of their persuasiveness.

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RESOURCE AVAILABILITY AND COUNTERFEIT CONSUMPTION: THE ROLE OF JUSTIFICATION

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ABSTRACT

The market for counterfeit products continues to grow, resulting in seven percent of the world's merchandise trade, or \$512 billion in 2004. Despite the increasing interest and concern involving illicit products, little research has been conducted in investigating consumers' motives for purchasing counterfeit products. In the study, we propose both justification and resource availability during decision-making as underlying mechanisms for consumers' purchasing counterfeit products.

The current studies concerning counterfeits descriptively examine the antecedents for the demand of counterfeit products. Numerous studies have shown that price benefit is the most important motive for purchasing counterfeit products over genuine products. In addition to the price advantage, some studies have investigated non-price antecedents, such as personality, product attribute, and demographic factors. On the other hand, there are limited studies based on theories examining consumers' motivations concerning counterfeit product purchasing.

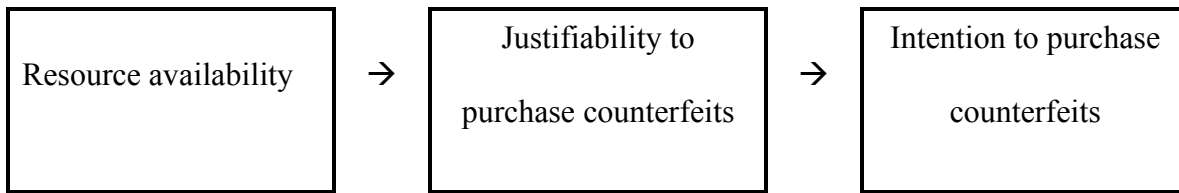
Purchasing and consuming counterfeit products are considered to trigger ethical dilemmas. Justification is an important element in selecting one option of a trade-off decision situation. Therefore, we predict that justification also plays a role in ethical dilemma situations concerning counterfeit product purchasing. Specifically, we predict that as individuals can justify their decisions for buying counterfeits, they are more likely to purchase them.

We also suggest that the level of justification will be determined by consumers' available resources. We assume that individuals need a certain amount of mental resources in order to think about the reasons for their purchase of counterfeits, as counterfeits are illegal products. If consumers have a low level of resources, it will be difficult for them to think of justifiable reasons for their purchase of illegal products. In contrast, if they have enough resources, it will be easier for them to justify their counterfeit product purchases. Therefore, in Hypotheses 1 and 2, we propose that resource availability influences consumers' purchase intentions for counterfeits and their relationship is mediated by the justification mechanism (Figure 1):

H1: People who have a high level of mental resources are more likely to purchase counterfeits than are people who have a low level of mental resources.

H2: The impact of resource availability on purchase intentions will be mediated by one's justifiability for purchasing counterfeits.

Figure 1: Conceptual Framework



Additionally, we suggest a boundary condition under which the above-mentioned predictions work. We suggest accountability as a moderator, inasmuch as it is strongly related to previous predictions based on the concept of justification. We anticipate that under high-accountability conditions it will be difficult for individuals to justify their purchase of illicit goods, regardless of their resource availability in that individuals cannot easily justify their illegal behavior under the pressure of justifying their behavior to others. In addition, we argue that systematic processing, triggered by high accountability, will prohibit decision-makers from justifying their illegal product purchases. On the contrary, our previous predictions will be replicated in low-accountability conditions, insofar as individuals can easily justify their illegal behavior when they have any pressure to justify their decisions to others. We thus expect the moderating role of accountability in Hypothesis 3:

H3: Accountability will moderate the impact of resource availability on the purchase intentions for counterfeits. Specifically, in low-accountability conditions, people with a high level of mental resources are more likely to purchase counterfeits than are people with a low level of mental resources. In high-accountability conditions, the purchase intentions for counterfeits will be low, regardless of people’s resource availability.

Three experiments demonstrate that consumers’ intentions to purchase counterfeits are higher when they have many resources than when they have limited resources. In addition, we show that these results can be mediated by justifiability to purchase counterfeits. We also show that this effect can be moderated by the level of accountability.

The results of this study suggest several theoretical and practical implications. First of all, this study has attempted to reveal how consumers’ justifiability and resource availability influence their motivation with respect to purchasing counterfeits. We suggest that justifiability to purchase counterfeits is one of the underlying mechanisms, and that resource availability can be an antecedent in determining the intention to purchase counterfeits. Therefore, this study provides another theoretical explanation for consumers’ motivation in purchasing counterfeit products. Second, this study is related to the current research stream investigating the relationship between decision-related resources and abnormal consumer behaviors. Third, the findings of this research have implications for self-regulatory research. One pattern for this research is that people have a high level of self-control when their resource is available (vs. unavailable). However, the results of our research showed exactly the opposite pattern in ethical dilemma situations. That is, people are more likely to engage in ethical behavior, which is assumed to require a high level of self-control when their resources are limited. Finally, this study suggests practical implications for designing persuasive messages to reduce the consumption of illegal products. For example, advertisements containing direct counterargument messages appealing to the justifiability of counterfeits (e.g., “*Buying counterfeits cannot be justified under any circumstances!*”) or

emphasizing decision accountability regarding counterfeits (e.g., “*How can you explain your counterfeit-purchasing choices to others?*”) may be very persuasive in reducing counterfeit consumption demand.

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CROSS-CULTURAL STUDY OF GIFT ACCEPTANCE IN A CONSUMPTION CONTEXT: THE MEDIATING ROLE OF FEELINGS OF APPRECIATION AND INDEBTEDNESS

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ABSTRACT

When consumers share the benefits of an activity (e.g. a dinner or a taxi ride), they may offer to pay for the activity themselves rather than permitting others to share the cost. We are interested in the factors that determine people's willingness to accept such an offer. Two factors may be important to consider. First, the positive affect elicited by the offer might be transferred to the gift-giver, resulting in feelings of appreciation (Fong 2006). On the other hand, people may invoke a reciprocity norm, which requires them to return favors they have received in the past (Gouldner 1960). Instead of meeting cultural demand for reciprocation, consumers might turn down the offer to protect their personal autonomy. Thus, the willingness to accept a gift may reflect consumers' motivation to maintain feeling of appreciation and avoid feeling of indebtedness.

Cultural differences may exist in the relative influence of these factors. Asians, for example, are more likely than Westerners to have interdependent self-concepts (Markus and Kitayama 1991), which emphasize the importance of relationships with others and feelings of obligation. They may also be generally more concerned than Westerners about the negative consequences of their decisions (Briley and Wyer 2001). For either or both reasons, Asians may place more weight on indebtedness than Westerners do when deciding whether to accept a gift and, therefore, may be less inclined to do so.

The present research examined this possibility using Hong Kong and Canadian participants. In the first study, participants read two scenarios. The first involved a classmate who buys them a drink at the airport. Hong Kong participants were more likely to reject the offer than Canadian participants were. In the second scenario, participants imagined offering a drink to the classmate. In this case, Hong Kong participants were more likely than Canadians to expect the classmate to reject the offer.

The second study confirmed our assumptions about the reasons for this difference. Participants read a scenario in which a friend offers to pay the cost of sharing a taxi. Hong Kong participants reported being more likely to reject the offer than Canadians did. In addition, the Asians were relatively less likely to attribute the gift to a genuine desire to initiate a friendship and to experience feelings of appreciation but were more likely to anticipate experiencing feelings of indebtedness. Regression analysis confirmed that appreciation increased the likelihood of accepting the gift but indebtedness decreased this likelihood.

Cultural knowledge can either be chronically accessible in mind or be activated by situational cues (Hong et al. 2000). In the conditions of concern in this paper, people who are offered a gift could use chronically accessible knowledge to guide their behavior. Alternatively, the knowledge activated by the situational cues could determine their actions. We expected that priming cultural cues would have greater influences when people are unfamiliar with the situations than when they come to familiar situations and have a chronically accessible coping strategy to deal with them.

To investigate this possibility, participants in “familiar” conditions read a scenario similar to the one presented in the first study, in which they are with a classmate at the airport and the classmate offers to buy them a drink. In “unfamiliar” conditions, they read a scenario in which they were having a drink alone at the airport and are informed that a classmate seated elsewhere in the cafe would like to buy them a drink. In each case, the classmate was identified as either Canadian or Chinese, thereby priming cultural knowledge. A greater number of participants in “unfamiliar” conditions accepted the gift when the classmate was Canadian than when (s)he was Chinese, but this influence disappeared in “familiar” condition. Furthermore, although more Hong Kong participants rejected the gifts than Canadian participants did, this difference was less when the situation was unfamiliar in than when it was familiar. These results confirmed our assumption that Chinese consumers’ chronic tendency to avoid being indebted is greater in familiar (vs. unfamiliar) situations, where the norm of reciprocity is known to be relevant. In novel situations, people tend to pay greater attention to situational cues to determine their decision.

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RISK PERCEPTION AND RISK AVOIDANCE: THE ROLE OF CULTURAL SIMILARITY AND SOCIAL IDENTIFICATION

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ABSTRACT

In the globalized world that we now live, the media keeps warning us about health threats such as the avian flu, mad cow disease, E.coli, etc. from different countries. It is generally assumed that perception of risk among citizens depends largely on the perceived severity of the threat (Luce and Kahn 1999; Menon, Block, and Ramanathan 2002). However, little is known on whether risk perception depends on how culturally similar the origin of the threat is to one's own? For instance, would Californians feel more at risk if a health threat is originated in England versus in Japan, although both countries are advanced and at almost the same distance? Is it necessary to be able to socially identify with the victims to feel at risk? This paper attempts to answer these important questions.

Research on social categorization reveals that perceptions of similarity among individuals lead to perceptions of common fate (Larsen 1980). Scholars investigating the psychological closeness phenomenon suggest that people are more likely to assimilate self-evaluation to the standard if they feel psychologically close to him or her (Mussweiler 2003; Brown et al. 1992). Along similar lines, Teigen's (2005) proximity heuristic theory in judgment of risk suggests that perceptions of proximity influence people's perceptions of their own and other people's risk. He exemplifies this proximity phenomenon by saying that the death of a close relative is more threatening than the death of a distant one, even when genetics is not the cause of death. A somewhat opposing view to the heuristic proximity theory is the one on defensive processing of threatening messages (see Block and Williams 2002 for a review). Liberman and Chaiken (1992) suggest that threatening messages that are personally relevant may lead people to engage in defensive and biased processing in an attempt to reduce the threat. In this case, we can expect that health risky situations that are perceived to be too close (i.e., personally relevant) may lead to message avoidance (Donohew, Lorch, and Palmgreen 1991) or denial of susceptibility (Stuteville 1970) and hence reduce the perception of risk.

It is common knowledge that people feel psychologically closer to culturally similar groups. We propose that this feeling of closeness with the origin of a threat increases one's perception of individual as well as ingroup risk. However, when the similarity is very high, i.e., when consumers identify very closely with the victims, it can lead to a rejection of the threat.

In this research, using a context of people being affected by contaminated beef and dairy products, we conduct two studies to examine consumers' perception of risk to themselves and to others from potentially consuming the contaminated food. We demonstrate that when the threat is low, perceived risk is unaffected by the cultural similarity with the originating country. However, when the threat is high, perceived risk is high only when the threat originates in a culturally similar country. Furthermore, we show that even in the case of a culturally-dissimilar country, perceived risk can be high when the threat is high, provided consumers are able to identify with the victims in that country. In the

case of the culturally-similar country, when consumers identify strongly with the victims in that country, it lowers their perception of risk.

Participants in studies 1 and 2 were given a fictitious news article that reported the food contamination in a foreign country and some citizens in that country being affected as a result. Likelihood of occurrence of the threat was communicated by manipulating the strength of the warning issued by local (Canadian) health officials about the possibility of food imported from that country being contaminated. In study 1, our data show that when the contaminated food was said to be imported from a culturally similar country (UK), consumers perceive a greater risk (both to themselves and to other Canadians) when the threat is high and a lower risk when threat is low. However, when the contaminated food was said to be imported from a culturally dissimilar country (France), risk perception was low regardless of the likelihood of occurrence of the threat. These results indicate that the likelihood of the occurrence of the threat impacts risk perceptions only when the threat originates in a culturally similar context. When the origin of the threat is seen as culturally distant, consumers underestimate the risk even when the threat is high.

In study 2, we manipulated social identification by the news article specifying that the persons affected by the contaminated food were students (strong identification) or not specifying (weak identification). We demonstrate that when the origin of the threat is a culturally-dissimilar country, perceived risk is high when threat is high only in the strong identification condition. Interestingly, in the case of the culturally-similar country (UK), when the victims were reported to be students, perception of risk drops in the case of high threat. We argue that this happens because consumers activate a defensive mechanism (Liberman and Chaiken 1992) that makes them reject the threat as not being credible. The results of study 2 mirror study 1 when the victims were said to be just people.

This paper makes two important contributions. First, it demonstrates the moderating role of cultural similarity in perception of risk in the face of an external threat. Second, it shows that when the message concerns a possible negative outcome, enabling identity with the concerned victims results in rejecting the threat, counter to common knowledge that communications need to help the consumer relate to them in order to be effective.

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IRONIC EFFECTS OF PRICING AND PROMOTIONS

Special Session Chair:

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MEMBERS ONLY: WHY PAYING FEES CAN INCREASE SPENDING

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ABSTRACT

Many consumers have had the experience of entering membership clubs (like Costco) to make a few purchases, yet leaving hours later with enough pasta to outlast a nuclear winter. One rational reason for such behavior is that membership clubs offer lower prices (due to volume discounts), but we suggest that the presence of membership fees alone – independent of the actual savings on any given product – spurs this increased spending. In a series of studies, we created our own “membership clubs” and sold goods to participants in our stores. Some participants were allowed to purchase whatever they liked; other participants, however, were informed that the store charged a fee, which they were required to pay before making a purchase. We show that 1) the presence of fees increases spending and overall store profitability (despite people’s predictions to the contrary); 2) fees serve as a signal of price, such that stores that charge fees are perceived as offering better deals; and 3) the presence of fees may drive choice of retail outlets: stores that mention membership fees in promotional materials are more popular than stores who do not, even when those stores offer the same goods at the same prices. Finally, we explore the impact of fees on memory: several field studies show that reminding people of membership fees paid in the past (for health insurance and gym memberships) lead them to remember having used those services more. In sum, fees lead retailers to make more money both on increased sales and, ironically, on collecting the fees that cause these increased sales, and also lead customers to see themselves as more frequent users of that outlet, a potentially important precursor to customer loyalty.

PRICE-SENSITIVE PREFERENCES

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ABSTRACT

A crucial assumption of neoclassical economics and the base for marketing and pricing models is that consumers' willingness to pay for a product is independent of the prices consumers face. After all, consumers should know how much they value a particular product. We test this assumption in 2 experiments in which we use procedures that are both incentive-compatible and allow us to vary possible prices across participants. In both of these experiments, we find that valuations for simple items that are likely to be known to participants – mugs with their university's logo, gift certificates for Amazon.com, and Godiva chocolates – are extremely sensitive to the prices that consumers find in the market. In particular, we find that average valuations for a right-skewed distribution are up to a few times those for a left-skewed distribution. In order to understand the causes for this price-sensitivity, we present a third experiment that provides evidence that this sensitivity is neither due to rational inferences drawn from the price distribution nor due to true context-dependent stable preferences, but rather due to a mistake in expressing price-independent preferences. Finally, the results of a fourth experiment suggest that the effect of the price distribution on valuations depends strongly on the attention that consumers pay to the prices in the market – suggesting ways to overcome this mistake and shedding some light on the psychological process that is typically underlying consumers' valuations. These findings have important implications for simple supply-demand theory and pricing models, as they suggest that traditional models might underestimate the elasticity of demand and overestimate the consumer surplus.

WISHFUL THINKING: HOW UNCERTAINTY CAN IMPROVE PROMOTIONS

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ABSTRACT

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 intuitive positivism 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 and exceed its expected value. 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. 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).

The key hypothesis of this paper is that such instances exist. We claim that uncertain incentives can be appealing when our natural intuitive positivism is allowed to operate. 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. The results of these studies demonstrate that our intuitive positivism 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. Our results contribute to a growing body of literature on how and when uncertainty can be motivating.

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PERSPECTIVES ON SELF CONTROL: INDIVIDUAL DIFFERENCES

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CONSUMER SPENDING, SELF-CONTROL AND CONSUMPTION BEHAVIOR

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ABSTRACT

Self-control is a critical aspect of consumer behavior that can impact a variety of consumption decisions. The present research introduces the construct of consumer spending self-control (CSSC), defined as the ability to monitor and regulate one's spending-related thoughts, emotions, and decisions in accordance with self-imposed standards, as well as a reliable and valid measure of CSSC. This unidimensional measure contains 10 items which represent the three key aspects of CSSC. After carefully distinguishing CSSC from more general self control, we examine the important role that CSSC has in consumer decision making through a series of studies. Study 1 results support the importance of CSSC as a construct and the implications that CSSC can have with respect to important societal issues, such as credit card debt, bankruptcy, and a host of related social and psychological issues. In study 2, consumers high in self control were less likely to yield to temptation regarding attractive purchase opportunities. Furthermore, CSSC moderated the predicted relationship between materialism and purchase behavior, such that consumers low in CSSC were more likely to make purchase decisions consistent with their level of materialism. Study 3 contained an actual choice scenario, and consumers high in CSSC were more likely to choose a utilitarian prize than were those low in CSSC. Study 4 demonstrated important differences based on credit card premiums consumers are willing to pay and consumers' reactions to credit card limits. Consumers low in CSSC are both willing to pay greater credit card premiums and more influenced by set credit limits than are consumers high in CSSC. Finally, study 5 provided an examination of trait vs. state perspectives of CSSC and demonstrated that consumers low in CSSC are more likely to experience ego depletion from making repeated self control relevant decisions than are consumers high in CSSC. The results of this research 1) suggest the potential for consumers to improve their consumption in order to avoid the negative consequences of self control failure, and 2) provide a wide variety of avenues for future research aimed at additional insight into the myriad of issues affected by CSSC.

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CONTINUING TO SIN OR A REFORMED SINNER: AN INDIVIDUAL DIFFERENCE MEASURE TO ASSESS SELF CONTROL AFTER A TRANSGRESSION

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ABSTRACT

Extant research has focused mainly on situationally driven, single instance failures of self control. In this paper we focus instead on individual trait-driven tendencies to repeatedly fail at self control. In particular, we measure individuals' ongoing tendency to enact a behavior previously dubbed "What The Hell Effect" (WTHE; Cochran and Tesser 1996), wherein consumers who fail on an initial self control task are sometimes more likely to fail on a secondary task as well (Herman and Polivy 1985). Our measure allows us to identify and predict which individuals will fail on the secondary task, and which will succeed; we also examine the domain-specificity of this behavior.

To develop the scale, domains of interest (i.e., eating and spending) were identified, and scenarios describing the initial self control failure (e.g., overeating at breakfast) and providing an opportunity for self control on a second task (e.g., choosing an entrée for dinner) were developed and tested. Based on open ended responses regarding thoughts, feelings, and actions to these scenarios, items were developed for each scenario and participants were asked to rate the likelihood of experiencing each thought/emotion and to indicate their action response to the self control dilemma. These ratings were used in an exploratory factor analysis that revealed three factors: (1) negative emotions about the initial lapse, (2) use of the initial failure as permission to indulge further, and (3) focusing on fixing past behaviors (reverse).

In a subsequent (planned) study participants are induced with an initial failure (e.g., Herman and Polivy 1985) and then have the option to indulge/self control on a secondary task; the individual difference WTHE measure is expected to predict which individuals will fail and which will succeed on the secondary task.

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NEVER GIVE UP GIVIN' IT UP: HOW LAY THEORIES OF SELF CONTROL AND RECENT SUCCESS OR FAILURE AFFECT GOAL-DIRECTED BEHAVIOR

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ABSTRACT

This research extends prior work demonstrating the relationship between lay theories of self control and goal-directed behavior, by studying the inter-relatedness of multiple episodes of goal-setting and achievement. We investigate how such lay theories, or individual differences in beliefs about the nature of self control, may moderate the effects of prior success or failure on subsequent goal-directed behavior. Mukhopadhyay and Johar (2005) showed that people's lay theories of self control can influence their goal-directed behavior, such that "limited theorists", who believe that self control is a limited resource (as per Muraven and Baumeister 2000), tend to set fewer resolutions than "unlimited theorists" (who believe that people in general have very large stores of self control), and are also less successful at achieving their goals if they are low in self-efficacy. The current set of studies extends these findings, and investigates the process underlying them. Our main hypothesis was that prior performance, in conjunction with lay theories and self-efficacy, drives expectancies of subsequent goal-directed capability.

Three studies have been conducted at the time of writing, using respondents' real resolutions as well as a laboratory anagram-solving task. We find that prior performance, self-efficacy, and lay theories of self control jointly influence goal setting and striving, by driving expectancies of subsequent capability. Success at time 1 is attributed by limited theorists to factors in their control, and causes them to set more goals for time 2, persist longer and anticipate less doubt at achieving these goals, and strategize their goal pursuit more effectively. These findings contribute to current knowledge of goal-directed behavior by demonstrating that lay theories of self control interact with prior success or failure to influence individuals' real personal goal setting, pursuit and patterns of attributions over time.

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