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## EDITORIAL

Customer orientation has become an essential basic concept in the field of marketing during the past few decades. Rather than focusing solely on sales, it has become essential to adopt a customer-centric perspective on today's market. Accordingly, all processes in the market need to be interpreted and modeled from a customer viewpoint before considering marketing instruments, strategies or policies. Even traditional "wisdom" needs to be abandoned if it lacks customer focus.

And who is better able to implement this style of thinking and provide contributions for marketing management than market researchers? Today, this challenge is defined as "customer insight management". It gives market researchers an excellent opportunity to improve their standing within an organization and to make a substantial contribution to true value creation.

The GfK Marketing Intelligence Review aims to provide innovative food for thought, presenting recent contributions from marketing science in a form suitable for practical use. In the first article of our fifth issue, renowned marketing researcher Alexander Chernev from the Kellogg School of Management (Northwestern University, Chicago) applies the principle of customer orientation to analyzing *consumer perceptions of assortments*. Chernev rejects the idea that ever-increasing assortments generate higher customer satisfaction. In fact, large assortments may cause problems with information processing and decision-making that sometimes even result in a failure to purchase. In a series of experiments he develops a consumer-based model of assortment perception and outlines the resulting consequences for marketing. ("When More Is Less and Less Is More: The Psychology of Managing Product Assortments").

*Word of mouth* (WOM) is an increasingly popular marketing technique. A great deal of trust is placed in the process and it is particularly valuable when new and innovative products are launched and customers seek advice from each other before buying. However, in order to make use of WOM, information on the social networks and their key players is essential. Together with their colleagues, Raghuram Iyengar and Christophe van den Bulte from the Wharton School (University of Pennsylvania, Philadelphia) use a sample of doctors to analyze how to best collect information on network positions and dynamics and give advice on other factors that market researchers need to consider ("How Social Networks and Opinion Leaders Affect the Adoption of New Products").

*Online public complaints* are a relatively new area of focus in terms of understanding consumers. Special internet platforms have been established for several years, offering a forum where consumers can express their anger about companies and the way in which they handle complaints. This kind of negative word-of-mouth publicity can have far-reaching consequences, as United Airlines and many other companies that have handled complaints inadequately ("double deviation") have discovered to their cost. Yany Grégoire and Renaud Legoux from HEC Montréal, along with Thomas Tripp from Washington State University, investigate how the grudges of disappointed customers are expressed, how they evolve, and the effects on companies. ("When Your Best Customers Become Your Worst Enemies: Does Time Really Heal all Wounds?"). The results of their studies show that investment in a customer-oriented complaint management system does pay off. After all, it is even more expensive to leave customers angry and disillusioned than to simply lose them.

In our “New Methods” article, Felix Eggers and Henrik Sattler from the University of Hamburg, Germany, provide a review of a state-of-the-art research approach that is very effective at supporting customer focus: **conjoint analysis** (“Preference Measurement with Conjoint Analysis. Overview of State-of-the-Art Approaches and Recent Developments”). It is still evolving rapidly and eliminates more and more former shortcomings by applying new choice designs and algorithms. This article is recommended reading for anyone wishing to stay abreast of these methodological developments.

In our “Flashlight” article, we present the most important findings of two studies dealing with **assumed “common wisdom”** in the field of marketing, which, as will be shown, is not as universally applicable as is sometimes claimed. On the one hand we examine the impact of sexual advertising (“Sex sells”), and on the other the thesis that “Bad News is Good News”. The marketing researchers provide empirical evidence that such rules of thumb can only be applied under specific circumstances in a highly dynamic market environment.

Recent developments in consumer communications are broached, among other topics, in the interview conducted by Sunil Gupta of the Harvard Business School, Boston, a member of our editorial board, with Stan Stanunathan, Vice President of Marketing Strategy and Insights at the Coca-Cola Company. We learn how Coca-Cola translates customer orientation into a world of emancipated consumers, rapid technological development and market dynamics. I was very impressed by the changes that Coca-Cola has already implemented to keep its global brands as strong as in the past.

I very much hope that you will enjoy reading the articles in this issue, which are aimed at supporting you in your daily struggle for successful customer orientation. In exchange, we would like to ask you a small favor: to ensure that we too remain customer-orientated, we are asking you, dear reader, to provide some feedback on our journal. On our homepage (<http://www.gfkmir.com>) you can find a link to an online reader survey. Please take a few minutes to answer the questions – either in English or German. Your answers will help us to learn more about your interests and enable us to serve you even more effectively. Thank you very much for your cooperation.

Nuremberg, March 2011

Hermann Diller  
*Editor-in-Chief*



#### CONTACT

You can contact us at  
diller@wiso.uni-erlangen.de,  
by phone on  
+ 49 911 5302-214,  
or by fax on  
+ 49 911 5302-210

Dr. Dr. h. c. H. Diller,  
GfK-MIR,  
University of Erlangen-  
Nuremberg,  
Lange Gasse 20,  
D-90403 Nuremberg,  
Germany

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{ New Strategies }



Oh No!



/// Sometimes consumers benefit from fewer rather than more options.



# When More Is Less and Less Is More: THE PSYCHOLOGY OF MANAGING PRODUCT ASSORTMENTS

*Alexander Chernev*

The strategy of giving customers what they want can backfire when it comes to designing and managing product assortments. Not only does offering more options lead to higher costs for the company, larger assortments often lead to lower probability of purchase and decreased satisfaction due to choice overload. Surprisingly, most consumers (as well as many managers) are unaware of the drawbacks of larger assortments, displaying preference for the greater variety of options even in cases when such variety makes consumers less confident in their decisions and lowers their satisfaction with choice. Understanding the psychology of choice gives managers a competitive advantage, allowing them to design assortments and product lines that create value for both the company and its customers.

## THE AUTHOR

*Alexander Chernev*,  
Associate Professor of  
Marketing, Kellogg School of  
Management; Northwestern  
University, Evanston, IL, USA  
ach@kellogg.northwestern.edu

This article is a summary of the findings published in the articles cited at the end of the text.

## The Paradox of Large Assortments

One of the decisions that managers — in both manufacturing and retail — have to make involves designing and managing their product lines and product assortments. Offering too many or too few choices can lead to suboptimal performance, so the question is how to decide on the optimal number of alternatives to make available. Conventional wisdom suggests that offering an extensive variety of options — although costly for the company — tends to benefit, and therefore attract, consumers. Indeed, research surveys indicate that when asked to state their preferences, consumers opt for the retailer (and brand) offering the greatest variety. Hence, when deciding on the size of their assortments, managers typically try to maximize the number of options offered to consumers, subject to cost constraints on the part of the company.

Recent research argues that the assumption that consumers always benefit from having more options to choose from does not always hold and that in some cases consumers will benefit from fewer, rather than

more, options. In particular, the empirical data document an interesting paradox: when choosing among assortments — such as deciding on a retailer — consumers typically prefer the variety offered by larger assortments. Yet, when making a choice from a given assortment, consumers often find it more difficult to choose from assortments offering large selections, are less confident and less satisfied with their choices, and are more likely to walk away without making a choice. This preference inconsistency implies that consumers cannot accurately predict their need for variety and tend to systematically overestimate the benefits offered by larger assortments.

The inconsistent pattern of consumer preferences for larger assortments and consumers' inability to accurately predict their own need for assortment variety raise the question of identifying conditions in which larger assortments will benefit consumers, as well as conditions in which consumers are better served by smaller assortments.

### The Pros and Cons of Large Assortments

So why do most managers think that variety facilitates choice? Reasons abound:

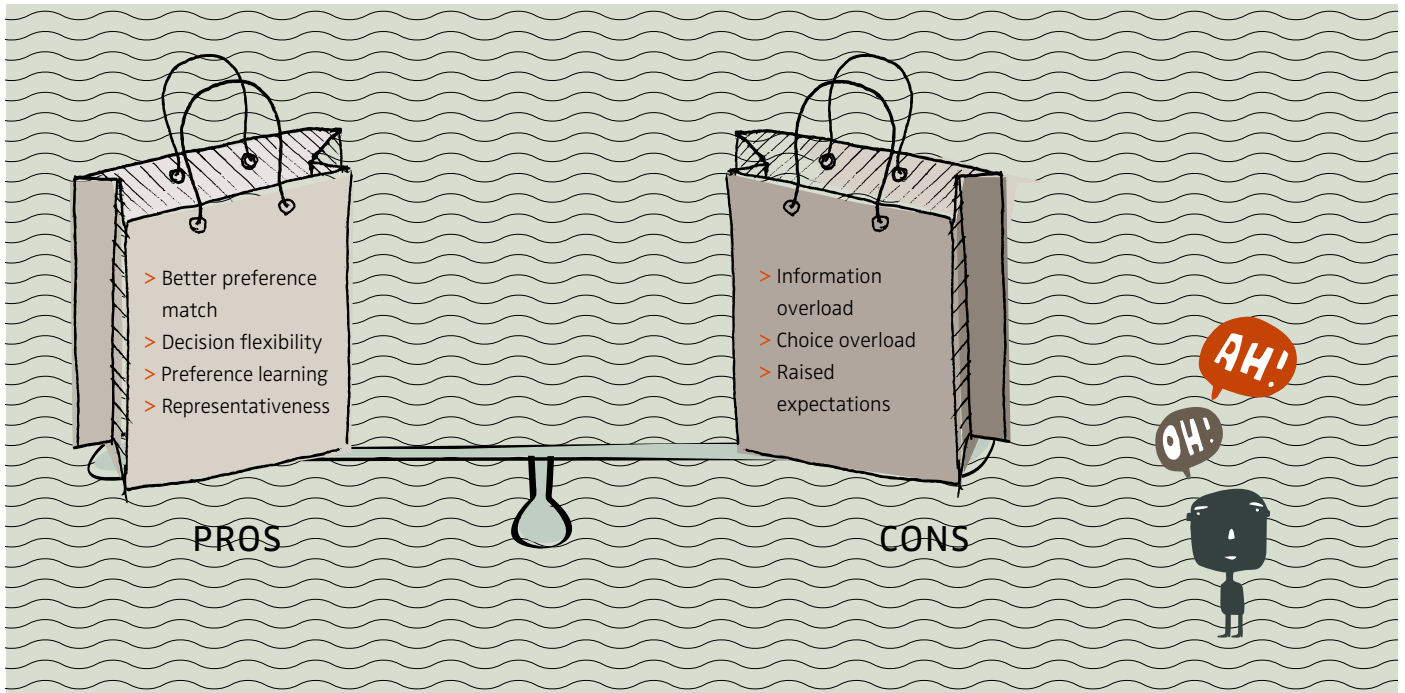
- > **Better match between preferences and options.** Larger assortments offer an opportunity for a better match between a consumer's preferences and the benefits provided by the options available in the choice set: the more options available in a given assortment, the greater the chance that each individual consumer will find the "ideal" option.
- > **More choice flexibility.** Larger assortments are also preferred because they allow consumers to keep their options open, allowing them more flexibility when making a selection. Thus, consumers who know what they are looking for but have not finalized their preferences tend to prefer larger assortments because they offer them the flexibility to reconsider their initial selection. In this context, a lack of variety might create negative sentiment among consumers who feel that their choice is restricted by an insufficient menu of options.
- > **More chance to explore possible options.** Consumers might also experience additional utility simply from having multiple items in the choice set because it allows them to explore a more complete roster of options available in the product category. Variety is especially relevant for consumers who want to determine the entire range of attribute values available and learn more about the different features and benefits among the choice alternatives before making a decision.
- > **Reduced risk of missing a superior option.** Larger assortments also reduce the uncertainty of whether the choice set at hand adequately represents all potentially available options. Indeed, consumers may opt not to make a choice if they think that the available assortment does not adequately represent the entire set of possible options. In addition, consumers might feel more confident when selecting from a retailer that offers a larger assortment because it is less likely that a potentially superior option is not represented in the available choice set.

The list of reasons why larger assortments are likely to benefit consumers is impressive, which explains why the belief in the universal "goodness" of offering more options to consumers is so popular. And yet, as the title of this article suggests, larger assortments are not always beneficial to consumers and in some cases can hamper rather than facilitate choice. There are several reasons why this might happen:

- > **Information overload.** Extensive assortments often lead to information overload because consumers evaluating large assortments have to process more information than those evaluating relatively smaller assortments. Thus, consumers often find it easier to deal with smaller assortments simply because they have to evaluate fewer options and consider fewer attributes on which these options are described. The effect of information overload is often compounded in assortments in which options are poorly organized since the very lack of structure further complicates evaluating the available options.
- > **Choice overload.** In addition to information overload, larger assortments are also more likely to lead to choice overload in cases when the available assortment yields more than one acceptable option. Indeed, the more attractive options one is given to choose from, the more difficult it is to make the decision. The choice among attractive options is especially difficult when these options are attractive because of different attributes. Decision difficulty in this case stems from consumers having to decide which of these attributes are more important and determine the exact trade-off involved—that is, how much better an option should be on one attribute in order to compensate for a deficiency on another attribute.
- > **Higher consumer expectations.** Larger assortments are also likely to complicate choice by raising consumer expectations about the likelihood of finding the "ideal" option. When choosing from large retailers specializing in a particular product category (i.e., category killers), consumers often have much higher expectations and more precise ideal points than when shopping at a retailer offering a relatively smaller selection. The higher the expectations of the match between the "ideal" and the available options, the greater the probability that consumers will walk away from the assortment if a perfect match is not available. Figure 1 summarizes the pros and cons.

### The Role of Consumer Expertise

Selecting the "right" assortment size is not a trivial task. There are clearly conditions where large assortments will benefit consumers, as well as scenarios in which larger assortments will be detrimental to consumer choice. So, when do consumers benefit from having fewer options? Recent research suggests that consumers' reaction to assortment size is a function of their expertise, and, in particular, their knowledge of the attributes and attribute levels describing the choice alternatives, as well as the degree to which they have established preferences for



these options (meaning that they know how to trade off options' benefits and costs on different attributes). Thus, consumers with product expertise and readily articulated preferences—for simplicity let's call them "experts"—are more likely to benefit from the variety afforded by larger assortments than "novices" who are unfamiliar with the product category and do not have articulated preferences.

The theoretical rationale underlying this argument is that "experts" are better able to deal with information and choice overload than "novices," who are less certain in their preferences. Indeed, when evaluating the available options, "novices" are faced with the dual task of forming their ideal point and choosing the option that is the closest to that ideal point. In this context, the task of simultaneously articulating preferences and making a choice presents consumers with a decision that often involves a greater degree of latitude than they can handle, which in turn makes it less likely that consumers will end up making a choice.

So, how should firms design assortments targeting "novice" consumers without articulated preferences? Empirical data suggest that the drawbacks of large assortments can be attenuated by helping "novice" consumers articulate their preferences prior to making a choice. To illustrate, in one study respondents had to choose from

either a larger (24 options) or a smaller (6 options) assortment of Godiva chocolates. Prior to making a choice some of the respondents were asked to write down their preferences for each of the attributes describing the choice alternatives (e.g., chocolate type, flavor, and texture), as well as to rank-order the attributes in terms of their importance, whereas respondents in the other group were not given this preference articulation task. After they made their chocolate selection, all respondents were given the option to switch their choice with the most popular item from the entire Godiva collection. (The rationale was that consumers who were less confident in their decision and less satisfied with their choice would be more likely to switch to the "default" option preferred by the majority of consumers.)

The data show that "novice" consumers were more confident when choosing from small assortments, whereas "experts" were more confident when choosing from large assortments. Thus, when choosing from the smaller assortment, only 9% of "novices" opted to replace their selection with the "default" option, compared to 27% of "experts." However, when choosing from larger assortments the preference pattern was reversed: 38% of "novices" opted to switch—indicating a rather low degree of confidence in their choice—compared to only 13% of "experts" who were unhappy with their selection and opted to switch. The preference articulation task

**FIGURE 1:**  
The Pros and Cons  
of Large Assortments

that preceded making a choice from larger assortments clearly helped increase decision confidence and choice satisfaction among novices.

#### Choosing an Assortment versus Choosing an Item

Despite the fact that large assortments often lead to more complicated choices — especially for novice consumers — empirical data show that, when given a choice, both novice and expert consumers universally prefer larger to smaller assortments. This is the paradox of large assortments: when choosing among assortments, consumers prefer the variety offered by larger assortments, even when these assortments lead to less confident decisions and lower satisfaction with the chosen option. This paradoxical behavior calls for identifying the reasons causing this inconsistency in consumers' choice behavior.

The paradox of large assortments is best explained when looking at choice as a hierarchical decision process that comprises two different stages: selecting an assortment and, subsequently, selecting an option from that assortment. Thus, the observed discrepancy in consumer preferences when choosing an assortment and when choosing an item from the selected assortment can be attributed to the nature of the consumer decision process and, in particular, to whether these two stages of the overall decision are considered jointly or separately. If the choice of an assortment and the subsequent product selection are viewed as two independent decisions, then choosing the larger assortment is likely to be perceived as the optimal strategy. If, however, both decisions are considered jointly, the choice of an assortment is likely to be influenced by a consumer's desire to optimize the subsequent choice as well. As a result, when consumers believe that choosing a product from the larger assortment is likely to have substantial drawbacks, such as increased decision difficulty, the probability of choosing that assortment is likely to decrease.

» One strategy to increase consumer preference for smaller assortments is to shift their focus from choosing among assortments to choosing a specific option from a given assortment. «

To illustrate, consider two consumers who are choosing among assortments that vary in size, such that one consumer is focused only on choosing among the available assortments, whereas the other is focused on both selecting the assortment and the optimal product from the chosen assortment. The different tasks faced by these consumers are likely to activate different decision strategies. A consumer who is focused only on choosing among assortments will be more likely to display a preference for larger assortments because of uncertainty about future preferences and a desire to put off the effort of making trade-offs. In contrast, a consumer who focuses simultaneously on choosing an assortment and on the subsequent task of selecting an option from the chosen assortment will be less likely to display a preference for larger assortments because of the anticipated difficulty of making a choice from a large selection.

The inconsistency in consumer preferences when choosing an assortment and when choosing an item from a given assortment raises the issue of identifying strategies that can help increase consumer preference for smaller assortments in cases when these assortments are likely to lead to greater purchase probability and stronger satisfaction with the chosen option. Because consumer preference for larger assortments stems from underestimating the decision difficulty associated with evaluating multiple options, one strategy to increase consumer preference for smaller assortments is to shift their focus from choosing among assortments to choosing a specific option from a given assortment. This shift of focus is likely to make the difficulty of choosing from large assortments more prominent, thus tilting consumer preferences in favor of smaller assortments.

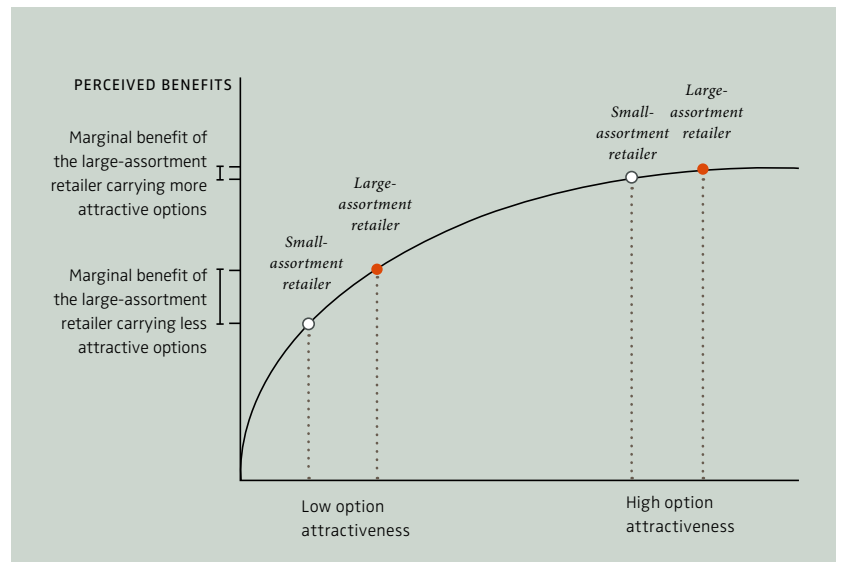
To illustrate, in one experiment, respondents had to choose between a small and a large assortment in the context of several product categories. To direct their focus to the difficulty of choosing from large assortments, some of the respondents were initially asked to select their most preferred option from another large assortment in a different product category. When these respondents were subsequently asked to choose between a large and a small assortment, they were much more likely to prefer the smaller assortment compared to those who were not given the initial choice which highlighted the difficulty of the decision task. In particular, of the respondents who were not initially asked to make the "difficult" choice, only 2 % preferred the small to the large assortment. In contrast, those given the "difficult" choice were less consistent in their preferences for the larger assortment, with 16 % choosing the smaller assortment.

Consumer preference for smaller assortments can also be increased by varying the temporal proximity of choosing an assortment and choosing an option from that assortment. To illustrate, in another experiment respondents had to choose between two stores that carried either a large (60) or a small (12) assortment of pens. Some of the respondents were told that immediately following the choice of a store they would have to choose a pen from that store, whereas others were told that they would have the option to choose a pen a month later. The data show that in the delayed-choice condition only 3% of respondents selected the smaller assortment—a finding consistent with the conventional wisdom that variety benefits consumers. When the assortment choice had to be immediately followed by the selection of a specific item from that assortment, the preference for the smaller assortment increased significantly to 19%.

Another approach to increasing consumer preference for smaller assortments involves making the decision accountability more prominent. The logic here is that when consumers feel they have to provide reasons for choosing a particular option they are more likely to prefer the smaller assortment because fewer options need to be rejected (and reasons for rejecting them explained). To illustrate, in one experiment involving a choice between travel agencies offering a different number of hotel options, asking respondents to provide reasons for choosing a particular hotel from the travel agency they selected resulted in the choice share of the smaller agency increasing from 2% to 34%.

#### “Better” Options Can Benefit Smaller Assortments

Consumer preference for larger vs. smaller assortments also depends on the overall attractiveness of the options comprising these assortments. The basic finding is that as the attractiveness of the options increases, consumer preference for larger vs. smaller assortments tends to decrease. The rationale is that increasing the attractiveness of the options in both larger and smaller assortments brings these assortments closer together in terms of the perceived consumer benefits. This prediction is consistent with the concept of diminishing marginal utility, whereby the marginal value of adding a benefit to a given option (assortment) tends to decrease as the overall attractiveness of that option (assortment) increases, without having a corresponding effect on decision costs. As a result, when faced with assortments comprised of attractive options (e.g., assortments offered by retailers and manufacturers perceived to be of high quality, bestsellers or options tailored to a consumer’s prefer-



ences), the relative benefits of larger assortments are less evident. The logic of this argument is illustrated in Figure 2.

To illustrate, in one experiment participants had to choose a snack from one of two retailers: one carrying a menu with 9 snacks and another carrying a menu with 38 snacks. One group of participants was told that both retailers used premium ingredients and their snacks were highly rated on taste. The other group was told that both retailers used only average ingredients and their snacks were rated below average in taste. The menus were sealed so that the participants could not preview snack descriptions; they had to pick a menu based only on the number of snacks offered.

The data were consistent with the “attractiveness” theory. More participants selecting from the high-quality retailers preferred the smaller assortment compared to those in the low-quality group. In the group that was given a choice between the lower quality retailers, only 13% selected the one with the smaller assortment. In contrast, among those given a choice between the higher quality retailers, preference for the smaller assortment increased to 40%.

Additional experiments using diverse products found an even stronger effect of option attractiveness, resulting in a reversal of preferences in favor of the smaller assortment. In one study, consumers had to choose between small and large assortments in three different categories: data CDs, dating services, and vitamin water.

**FIGURE 2:**  
The Relative Advantage of Larger Assortments Decreases when Assortments Comprise Relatively Attractive Options

In the data CD scenario, participants had the option of purchasing from two retailers: one offering a selection of 6 brands and one offering a selection of 18 brands. In the dating service scenario, participants were given a choice of two options: one offering 8 potential date matches and one offering 24 matches. In the vitamin water scenario, participants could buy vitamin water from one of two local stores: one carrying 8 brands of vitamin water and one carrying 30 brands.

The attractiveness of the options in these assortments was varied by providing participants in the data CD scenario with the ratings of the options in each of the two stores. In the dating service scenario, participants were told that the potential date profiles were generated by matching either 20 personality dimensions or a single personality dimension. Finally, in the vitamin water choice, attractiveness was manipulated by varying the assortment choices by either the most popular, best-selling brands or only low-priced, economy brands.

The data in all product categories reflected a shift in preferences towards larger assortments from the low-quality sellers and smaller assortments from the higher quality sellers. Thus, when choosing from lower quality retailers, the majority of consumers preferred the larger assortment (68 % in the CD category, 78 % in the dating service category, and 65 % in the vitamin water category). When choosing from retailers carrying attractive options, however, the data pattern was reversed such that most of the respondents selected the smaller assortment (55 % in the CD category, 62 % in the dating service category, and 65 % in the vitamin water category).

#### Strategies for Managing Product Assortments

The discussion of the pros and cons of large and small assortments suggests several strategies for designing and managing product assortments. These strategies include:

- > **Know your customers.** Selecting the optimal assortment size involves two important considerations: (1) knowing consumers' shopping goals and (2) knowing their expertise with the product category at hand.

*a) Consumer goals.* Because the potential disadvantages of large assortments are caused by the increased difficulty of choosing an option, removing the burden of having to make a choice also removes the drawbacks of large assortments. Thus, when consum-

ers' goal is to learn more about the available options as well as about their own preferences, larger assortments tend to be the better way to go. When, however, the goal is to choose a particular option (or options) other factors—such as the level of consumers' expertise—are at play.

*b) Consumer expertise.* The degree to which consumers have an articulated ideal point can make a big difference in their reaction to assortments that vary in size. Accordingly, "experts" are more likely to benefit (more likely to make a choice and have stronger preferences for the chosen option) when choosing from larger assortments, whereas "novices" are more likely to benefit from smaller assortments.

- > **Set assortment size to facilitate choice.** Because their level of expertise influences consumers' reactions to product assortments, the optimal assortment size depends on whether a particular assortment targets "novice" or "expert" consumers.

*a) Designing assortments for "novice" consumers.* Consumers who are uncertain in their preferences are more likely to experience disutility from choice overload with larger assortments, ultimately feeling more comfortable with smaller assortments. For these customers, smaller assortments comprising relatively attractive items can lead to greater satisfaction with the chosen option compared to larger assortments. In this context, retailers will benefit from offering bestsellers or custom-selected items. This will help circumvent the potential limitations associated with choosing from smaller assortments. To illustrate, Apple's "six best" principle, adopted by its retail stores, distills third-party products to only six per category. This approach works very well for PC users new to Apple products and is consistent with Apple's retail-store strategy of doubling its market share.

*b) Designing assortments for "expert" consumers.* Because the decision for "expert" consumers simply involves matching their existing preferences with the available options, choosing from large assortments does not involve much additional cognitive effort on their part than choosing from smaller assortments. As a result, consumers with an articulated ideal point typically benefit from larger assortments that enable them to easily locate their most preferred option.

> **Optimizing assortments to facilitate choice.** In addition to choosing how many and which options to carry, retailers can also facilitate consumer choice by streamlining the choice process. This approach includes:

*a) Optimizing large assortments for “novice” consumers.* In cases when retailers have no alternative but to offer larger assortments to “novice” consumers (e.g., because “experts” comprise a large share of its customers or when the diversity of the customer base calls for carrying a large variety of options), choice can be facilitated by optimizing the very task of choosing. One such strategy involves partitioning large assortments into smaller sub-assortments. For example, to simplify furniture choice for its customers, IKEA breaks down its retail space into separate room-size areas, effectively limiting the variety of options available to consumers at any given point in time. In the same vein, online retailers offering large assortments or customizable options (e.g., Dell) offer decision support tools that help consumers avoid the “variety shock” and figure out their preferences prior to making a choice.

*b) Optimizing small assortments for “expert” consumers.* A retailer offering a smaller assortment to consumers with articulated preferences can improve the probability that customers will make a choice from that assortment and increase their satisfaction with the selected option by optimizing the attractiveness of the available options. One obvious strategy to increase attractiveness is to tailor the options to the preferences of customers. A retailer could also increase the perceived variety of its offerings by making its assortments a bit less organized—a strategy based on the notion that disorganization increases the perceived variety of the available options thus making the assortment more appealing to those seeking greater variety.

When it comes to managing product assortments, offering more variety is not always the best option. Empirical research shows that in many cases smaller assortments can lead to greater likelihood of purchase, lower rate of returns, and more satisfied customers. To avoid potential drawbacks of large assortments, managers need to account for consumer goals and consumer expertise. Incorporating these two factors into the development of a product line strategy is essential for creating customer-centric assortments and achieving market success. •

## FURTHER READING

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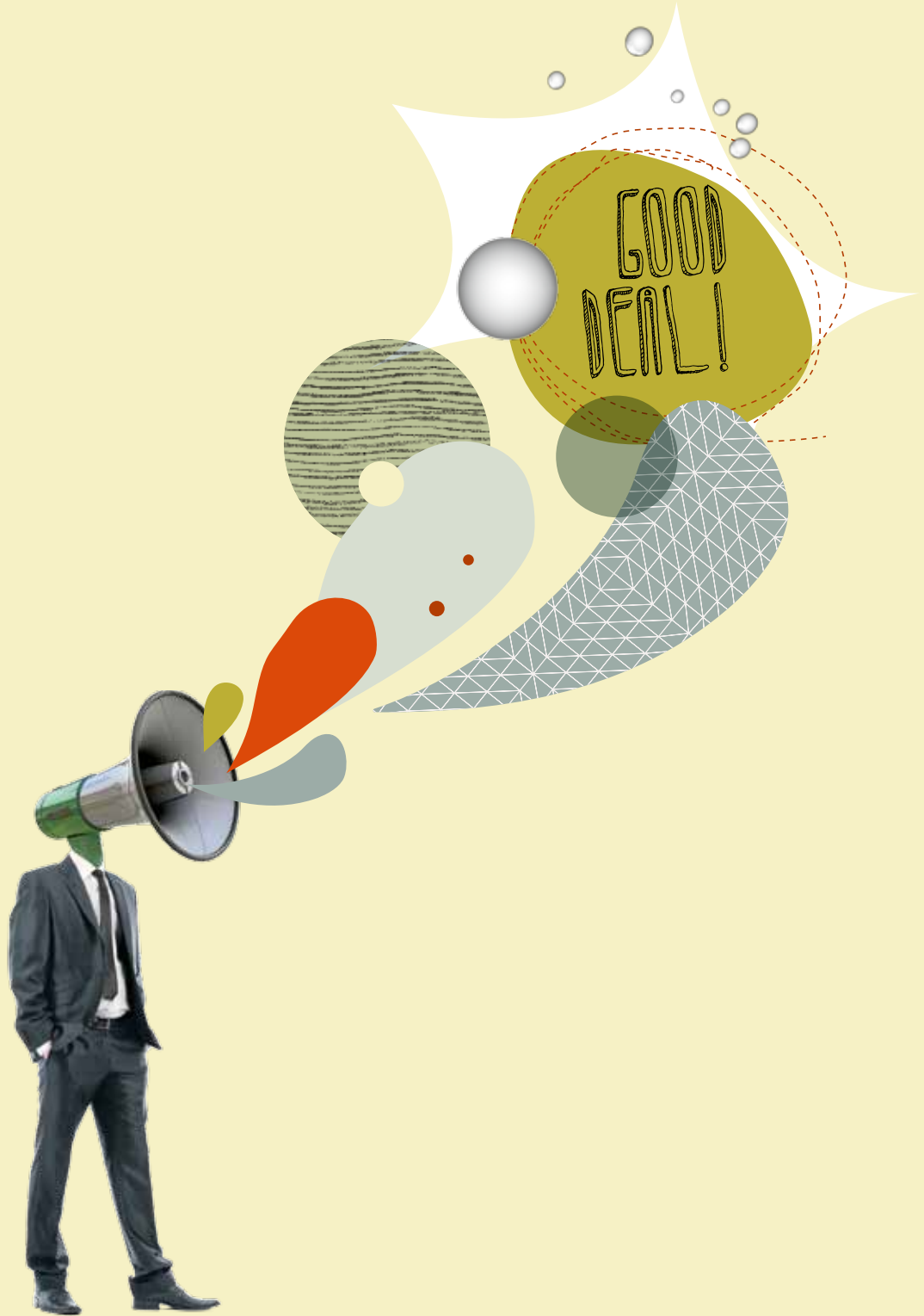
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### KEYWORDS:

Assortments, Assortment Choice, Product Choice, Consumer Decision Making, Consumer Preferences, Consumer Behavior



{ New Theories }



*/// Targeting central people in the network gives more leverage to sales calls.*



# HOW SOCIAL NETWORKS AND OPINION LEADERS AFFECT THE ADOPTION OF NEW PRODUCTS

*Raghuram Iyengar, Christophe Van den Bulte, John Eichert, Bruce West, and Thomas W. Valente*

Do word-of-mouth and other peer influence processes really affect how quickly people adopt a new product? Can one identify the most influential customers and hence those who are good seeding points for a word-of-mouth marketing campaign? Can one also identify those customers most likely to be influenced by their peers? A pharmaceutical company seeking to improve its marketing effectiveness by leveraging social dynamics among physicians set out to answer these questions. There is indeed evidence of social influence, even after controlling for sales calls and individual characteristics. Also, people who are central in the network and those who use the product intensively are more influential. Finally, people who view themselves as opinion leaders are less affected by peer influence, whereas people who others really turn to for information or advice are not differentially affected. This last finding suggests that self-reported opinion leadership captures self-confidence, whereas a central position in the social network captures true leadership. Since sociometric techniques identify true opinion leaders more effectively than self-reports do, word-of-mouth programs targeting sociometric leaders are expected to be more effective than programs targeting self-reported leaders.

## **A Reality Check for Assumptions that Word-Of-Mouth Marketers Make**

Marketers are increasingly experimenting with various forms of network marketing. In the area of new product marketing, the rationale of many such efforts rests on three key assumptions: (1) social influence among customers is at work, (2) some customers' adoptions and opinions have a disproportionate influence on others' behavior, and (3) firms are able to identify and target those influentials or opinion leaders. These assumptions are quite reasonable and have been supported by prior research and experience.

Vocalpoint, a word-of-mouth marketing service operated by Procter & Gamble, has helped several new products gain traction by leveraging the social networks of

homemakers with school age children. An example is the breakfast cereal Kashi Honey Sunshine, where the campaign generated a 27.8% lift in sales between test and control markets. In the company's experience, women who are not only interested in the product but also have school age children are effective seeding points for many consumer packaged goods because mothers with small children are more likely to have extensive social networks. Many other companies, however, have found it very hard to identify influentials or opinion leaders. In at least one case, for the broad-spectrum antibiotic tetracycline, managers and industry observers long believed that its adoption had been driven by word of mouth among physicians until more careful analysis showed that all evidence of social influence disappeared once advertising effects were properly accounted for.

## THE AUTHORS

*Raghuram Iyengar*,  
Assistant Professor,  
ryengar@wharton.upenn.edu

*Christophe Van den Bulte*,  
Associate Professor,  
vdbulte@wharton.upenn.edu

both from The Wharton School,  
University of Pennsylvania,  
Philadelphia, PA, USA.

*John Eichert*,  
john@rivermark.biz

*Bruce West*,  
bruce@rivermark.biz

both Principal, Rivermark,  
Doylestown, PA, USA.

*Thomas W. Valente*, Professor,  
Keck School of Medicine,  
University of Southern  
California, Alhambra, CA, USA,  
tvalente@usc.edu

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It is not only isolated case studies that give cause for concern. More systematic research has also shown that peer influence is not as important as often thought and has raised doubts about the importance of opinion leaders in truly speeding up the acceptance of new products. So, managers would be remiss to simply take those three assumptions underlying most word-of-mouth campaigns for granted.

### The Challenges of Identifying True Opinion Leaders and their Influence

To maximize the leverage that word of mouth gives to their marketing spending, marketers must identify and target the most influential customers. Most marketing studies do so based on *self-reports* of how influential people think they are. Network studies, in contrast, identify opinion leaders based on their *central position in social networks* defined by who turns to whom for information or advice. These “sociometric” techniques have been gaining popularity among marketing practitioners to identify influential scientists, physicians, and engineers. Some consumer network marketing firms like P&G’s Vocalpoint agree with the idea and target people with *demographic characteristics* associated with having a central network position.

Others, including most pharmaceutical companies, circumvent the entire issue and simply use heavy prescription *volume* as a proxy to identify physicians influencing the behavior of others. Based on the well-documented link between satisfaction and repeat buying behavior, one would expect that someone who adopted a product some time ago but is not currently using it is likely to be less enthusiastic and less credible than a current user. One would also expect that someone with greater product experience would be more credible as a source of in-

» True opinion leaders are also opinion followers, but self-professed opinion leaders are not. «



formation and influence. However, the notion that heavy users are more influential than light users does not always hold, as illustrated by a word-of-mouth campaign for the restaurant chain Rock Bottom Brewery by word-of-mouth marketing company BzzAgent. So, the impact of heavy users is another issue of obvious relevance to the identification and targeting of likely influentials that cannot be taken for granted.

So, which opinion leader identification methods are the best to use? Do they even identify the same individuals as leaders? Is there social influence operating over social ties, such that better connected adopters exert more influence than less connected ones, over and above the effect of marketing efforts and market conditions? And is peer influence emanating from prior adopters a function of how much they use the product rather than simply whether they have adopted it? Research conducted with a pharmaceutical company answers these questions.

### Physicians and their Adoption of a New Drug: A Case Study

The company was keen on leveraging word-of-mouth dynamics among physicians by identifying the most influential physicians and using that information in its medical outreach, education and sales programs. Managers realized, however, that their basic premises about the effects of word-of-mouth were in doubt. The company was therefore very interested in facilitating a study about the importance of social networks, opinion leadership, and marketing effort.

The focal product was a newly launched prescription drug used to treat a viral infection that could be lethal if left untreated. As the medical condition was chronic, physicians could not observe drug efficacy quickly and adjust a patient’s therapy if necessary. There was considerable uncertainty in the medical community about what was the best treatment. Even though the new drug seemed an excellent treatment option given its low rate of resistance and outstanding potency, there was little information available about how the drug’s long-term efficacy compared to that of two older drugs already on the market. In short, the drug treated a potentially lethal condition but there was considerable ambiguity and risk in making the decision to adopt.

In a situation like this characterized by high risk, high complexity and low observability of results, peer influence is likely to be a significant driver of adoption behavior.

{ Box 1 }

## INVESTIGATING SOCIAL INFLUENCE

Three large US cities were selected for the study: San Francisco, Los Angeles, and New York City. The physicians were selected based on membership records of the American Medical Association and internal records of the pharmaceutical company. Prescription data was obtained from IMS Health (a well respected data provider in the pharmaceutical industry). Given the specific medical condition that the new drug was treating, the company defined the target market as those physicians who had prescribed at least one of the two drugs in the same category in the two years prior to the focal drug's launch.

A *mail survey* was used to collect data on the physicians' social network ties and self-reported opinion leadership. The response rates varied from 24 % in New York City to 45 % in San Francisco. The data from the mail survey was matched with monthly physician-level sales call data from the company and monthly physician-level prescription data from IMS Health. Prescriptions were tracked for 17 months from the day the drug was introduced. Overall the data contains 185 doctors, 65 of whom had adopted the new drug after 17 months. This adoption rate of 35 % is not very high, consistent with the notion that adopting the drug is far from an easy decision for physicians to make.

*Self-reported opinion leadership* was determined using six questions about how often the respondent physician influences other physicians on issues related to the chronic disease of interest in this study (see below). All items were measured on a scale of 1 to 7. The self-reported leadership score is the average score across the six questions.

### Six items used to measure self-reported opinion leadership

1. In general, do you talk to other doctors about \_\_\_? (Never/Very often);
2. When you talk to your colleagues about \_\_\_ do you ... (Offer very little information/Offer a great deal of information);
3. During the past 6 months, how many physicians have you instructed about ways to treat \_\_\_? (Instructed no one/Instructed multiple physicians);
4. Compared to your circle of colleagues, how likely are you to be asked about ways to treat \_\_\_? (Not at all likely to be asked/Very likely to be asked);
5. In discussions of \_\_\_, which of the following happens more often? (Your colleagues tell you about treatments/You tell your colleagues about treatments);
6. In general, when you think about your professional interactions with colleagues, are you ... (Not used as a source of advice/Often used as a source of advice).

For *network or "sociometric" leadership* we counted how many times each physician was named by other physicians as someone with whom they feel comfortable discussing the clinical management and treatment of the medical condition, or as someone to whom they typically refer patients with the condition.

» Self-reports are likely to measure self-confidence rather than true influence. Sociometric leadership or centrality in the network is likely to be the more valid measure. «

Personal selling was the main marketing instrument. There was only very limited medical journal advertising, no free product sampling, and no direct-to-consumer advertising due to the complex nature of the treatment decision.

When studying opinion leadership and social influence among physicians, it is important to consider the local nature of social influence. The importance of local as opposed to national opinion leaders is well documented in modern medical literature. Whereas nationally reputed “expert opinion leaders” may be respected for their research or their credibility, to most physicians their input is less informative than that from local “peer opinion leaders”, who are members of their own community and face patients and working conditions similar to their own. Local leaders are also more accessible. The pharmaceutical industry is keenly aware of the importance of such social dynamics at the local level. Better understanding the local opinion leadership dynamics within the geographic locales was the main motivation of the pharmaceutical company to make our study possible.

Since the three cities in the study (see box 1) are major metropolitan areas, the local networks also contain several national opinion leaders. The fact that the physicians who the company considered to be national opinion leaders also emerged as local opinion leaders within their city made the network data fully credible to the managers, who were also quite interested in the identity of local opinion leaders they had so far overlooked.

### **Self-Reported Leadership Does Not Equal Network Leadership**

The first set of results is about how to identify opinion leaders. The plots in Figure 1 show that self-reported opinion leadership does not correspond very well with the number of actual discussion partners or the number of colleagues who actually refer patients to him or her. The correlations are positive, but well below the maximum of 100 %: 45 % in San Francisco, 32 % in Los Angeles, and 41 % in New York City. The  $R^2$  measure familiar from regression analysis indicates that one measure of opinion leadership “explains” only between 10 % and 20 % of the variation in the other measure. Clearly, someone who says he is an opinion leader may not be so in the eyes of his peers. (Figure 1)

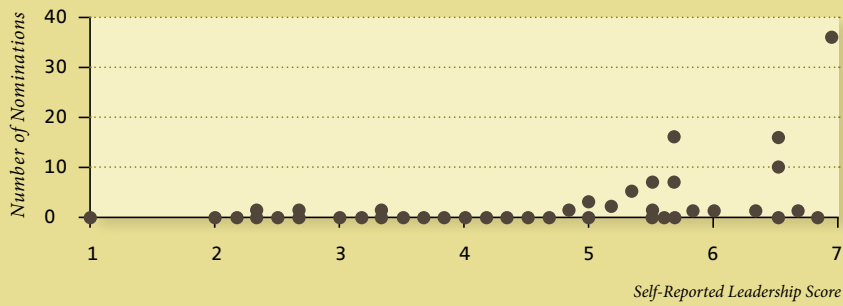
Correlations between early adoption and each measure of opinion leadership were higher for network leadership (25 %) than for self-reported leadership (11 %), indicating that sociometric leaders tended to adopt earlier than self-reported leaders. However, that difference arose at least in part because the company targeted more sales calls to network leaders than to self-reported leaders. After controlling for the number of sales calls received and for physician characteristics like area of medical specialism, leadership of both types was still associated with earlier adoption, but the effect was about the same for self-reported and network leadership.

### **Differences in Susceptibility to Peer Influence**

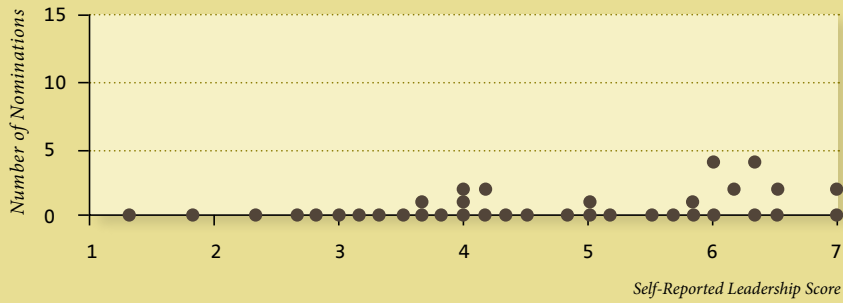
The statistical analyses controlling for sales calls and monthly market-level fluctuations in adoption—a very stringent test to identify the presence of social influence—show that only the 43 % of physicians with the lowest self-reported leadership score were significantly affected by peer influence. That is, the only physicians who were influenced were those who perceived themselves not to be leaders. Interestingly, physicians who received few nominations as discussion or referral partners were no more or less susceptible to peer influence than sociometric leaders who received many nominations.

This may be somewhat surprising at first, but actually makes a lot of sense. People with low self-confidence are more likely to turn to their peers for information and advice. In contrast, people with a high sense of self-importance may be unwilling to take into consideration,

SAN FRANCISCO



LOS ANGELES



NEW YORK CITY

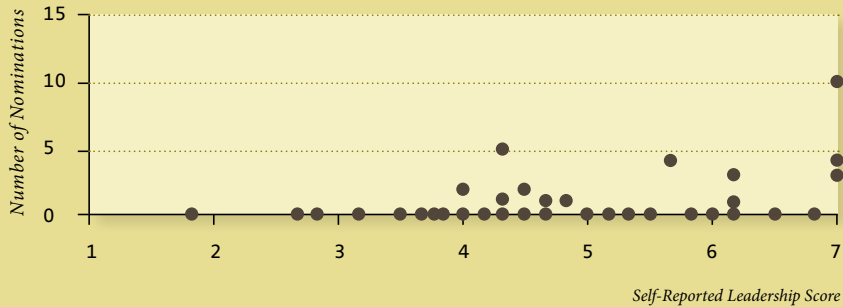
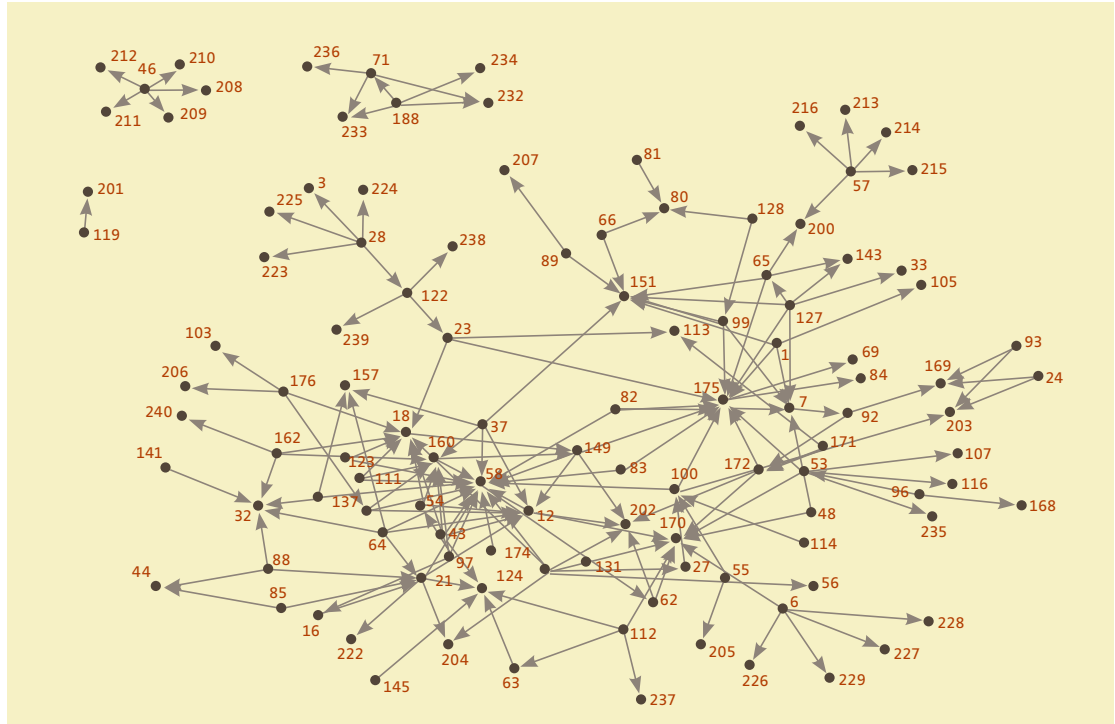


FIGURE 1:  
Self-Reported Leadership  
Scores versus Number of  
Nominations Received  
(Both Discussion and Patient  
Referral Ties)

INTERESTING



FIGURE 2:  
The Network of Discussion  
in San Francisco



let alone imitate, the behavior of their perceived lower-status peers. True experts, in contrast, do consider the opinions and experiences of all their peers, including those who are less prestigious. In short, true opinion leaders are also opinion followers, but self-professed opinion leaders are not.

#### Differences in Peer Influence: Network Centrality and Heavy Use

People central in the network influence more peers than people on the periphery. That is important for the company to know, as it implies that targeting central people indeed gives more leverage to their sales calls.

We also find that heavy prescribers are more influential than light prescribers, and that mere adoption by itself does not trigger others to adopt. So, what influences the adoption of a new drug is not whether influential physicians have adopted but how much of the new drug they prescribe. Detailed analyses suggest that this does not only happen because heavy users are more central in the network. Having a central, well-connected position allows them to reach and influence more people, but that does not drive the fact that heavy users

are more persuasive once the connection exists. Nor do we find evidence that heavy users of the new drug are more influential because they are more enthusiastic about it and shift a greater proportion of their prescriptions to it (the equivalent of a “share of wallet” effect). Instead, the results indicate, heavy users are more influential and persuasive because prescribing more of the new product makes them more credible as a source of information.

#### Additional, Unexpected Insights for the Company

Those findings provided an important proof-of-concept to the management team of the company. They documented that physicians indeed influenced each other through their network connections, and that network analysis was able to identify opinion leaders influencing the adoption of the new drug.

Knowing the structure of the network provided several additional benefits to the company. To illustrate, let us focus on the network of discussion ties in San Francisco shown in Figure 2. Each circle represents a physician, and each arrow going from one physician to another means that the sender mentions the receiver as a discussion partner.

The four physicians receiving the greatest number of nominations are physicians 18, 58 and 160 (all in the lower left quadrant), and physician 175 in the middle. The first three doctors were known to the company to be influential experts publishing regularly in medical journals, but the last (175) came as a big surprise. The company was not aware that this physician was such a valuable source of information to his local peers. He was valued in the local medical community because he was very involved with treating patients suffering from the disease, and worked tirelessly and closely with colleagues to solve day-to-day clinical problems.

Physician 175 did not fit the description of an individual who marketers thought would be the most effective opinion leader for their product—an outgoing, high-profile doctor with academic credentials whose name often appears on peer-reviewed clinical research papers or on conference speaker lists. Physician 175, in contrast, was a humble, self-effacing and clinically active physician who did not want to speak on behalf of pharmaceutical companies. He was highly respected by the local community because of his vast experience and knowledge in treating the disease. His central network position and importance was something that the company's local sales and medical education teams were not aware of until the network map was generated.

Figure 2 also shows that there are basically two major clusters in the network. One cluster is in the bottom left quadrant and the other in the upper right quadrant. Note how physician 175 is a key bridge linking the two clusters. Though he does not have the highest number of nominations, he plays a critical role in spanning what would otherwise be a structural hole between two disconnected sub-communities of physicians. The results are even more surprising when the names of the physicians are included on the graph. Almost all the names in the lower left are of European origin, whereas those in the upper right are mostly of Asian origin. This ethnic pattern makes physician 175 even more important in the flow of influence within the local medical community.

The map also provides important information about the three opinion leaders in the lower left quadrant. Physicians 18, 58 and 160 all tend to have the same followers, implying that there is no need for the company to get all three on board. It is more efficient to target only one or two of them, and re-allocate the resources towards other opinion leaders.

## Conclusions

### > *Network ties affect the adoption of a new product*

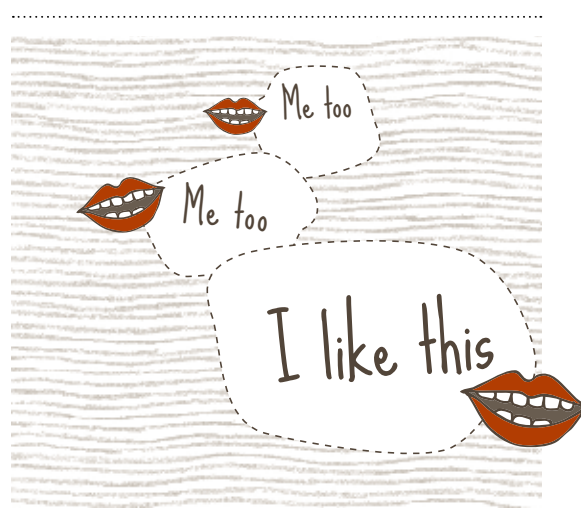
The study presents compelling evidence of influence over network ties affecting the adoption of a new product after controlling for marketing effort and other confounding factors.

### > *Focusing on central influentials is recommend*

The study supports the use of network-leveraging campaigns focusing on central influentials exerting above-average social influence on other customers, a practice about which doubts have arisen recently. However, a caveat is due. Sizeable contagion from trusted peers is more likely to be a key driver of buying behavior when the stakes are high and when customers are uncertain about how well the product works or about how using it will affect their status among their peers.

### > *Sociometric techniques to identify opinion leaders are more valid*

Market researchers traditionally use self-reports, formal position or metrics of visibility like publication or blogging activity to measure opinion leadership. These methods are not without problems. Self-reports are likely to measure self-confidence rather than true influence, while formal positions and mere visibility need not translate into actual influence. Sociometric leadership or centrality in the network is likely to be the more valid measure. It also has the advantage that it can even be computed for people who do not respond to a survey.





» Heavy users are more influential and persuasive because prescribing more of the new product makes them more credible as a source of information. «



> **Sociometric maps provide additional insights**

Mapping the network also provides insights into the specific connections of each opinion leader. This information can prove useful when choosing which leaders to focus on in order to get maximum impact while reducing inefficient redundancy in one's word-of-mouth marketing efforts. In this study, physicians 18, 58 and 160 in San Francisco, for instance, tend to have the same followers, so targeting all three would probably be redundant. Also, physician 175 is an especially appealing target, both because he is the only key player in the "Asian" sub-network and because he plays a critical role in bridging the divide between the "European" and "Asian" sub-networks.

> **Benefits and risks of targeting sociometric opinion leaders.**

The study demonstrates the existence of the hitherto neglected benefits of focusing one's efforts on sociometric opinion leaders. The standard argument is that they influence more peers than less centrally located people do. The results support this idea, but suggest two additional benefits. First, the "stand-alone" customer lifetime value (CLV) of opinion leaders may be higher than that of other people because they tend to be early adopters and heavy users. Second, their "network" value may be higher, not only because they reach more people but also because, by being early adopters and heavy users, they start influencing others sooner and more effectively than less connected people.

Some caveats are due, though. First, if opinion leaders tend not only to adopt but also to disadopt sooner than others, and if the firm's discount rate is low, then the "stand-alone" CLV of an opinion leader need not be systematically above average. Second, a customer's heavy use may boost his "network" value only when the product is perceived to be risky and when heavy users are more credible or otherwise more influential than light users. Third, when the new product challenges the power base or norms of the opinion leaders, the product is likely to be resisted by them and to be adopted by members at the fringe of the network first.



> **Benefits and risks of targeting heavy users.**

In our study, heavy prescribers of the last drug previously launched in the category tended to adopt the new drug early and also tended to be opinion leaders. This finding suggests that the industry practice to overly target one's marketing efforts at launch towards heavy prescribers generates not only quick sales but also a larger social influence effect. Specifically, heavy users have a higher "stand-alone" value both because they adopt early and because they use more after they adopt. They also have a higher "network" value, both because they tend to have more connections and because they tend to be more influential within each of those connections. However, since the correlation between prescription volume and sociometric leadership is only moderate, just focusing on heavy users will fail to leverage all potential influential seeding points.

> **Generalizability of results**

The evidence from this case pertains to a risky product for which one would expect peer influence to matter, and does not invalidate the warning that peer influence cannot simply be taken for granted in each and every situation. Prior research and theory suggests that our findings are more likely to apply to expensive than cheap products, to purchase decisions that are made infrequently rather than frequently, to products whose quality cannot be assessed before purchase (credence and experience goods rather than search goods), to radical rather than marginal innovations, and to identity-relevant rather than identity-irrelevant products. •

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### KEYWORDS:

Word-of-Mouth, Opinion  
Leadership, Social Networks,  
Product Innovations,  
Network Marketing

{ New Insights }



/// Strong relationships can “backfire” on firms after a poor recovery.

# When Your Best Customers Become Your Worst Enemies: DOES TIME REALLY HEAL ALL WOUNDS?

*Yany Grégoire, Thomas M. Tripp and Renaud Legoux*

Customer revenge and avoidance in the context of online complaints by the public are hot topics. This article helps managers to understand the phenomenon and to prevent damage. Do online complainers hold a grudge—in terms of revenge and avoidance desires—over time? Results show that time affects the two desires differently: although revenge decreases over time, avoidance increases over time, indicating that customers hold a grudge. Then, we examine the moderation effect of a strong relationship on how customers hold this grudge. Indeed firms' best customers have the longest unfavorable reactions. This is called the love-becomes-hate effect. Specifically, over time the revenge of strong-relationship customers decreases more slowly, and their avoidance increases more rapidly, than for weak-relationship customers. Further, we explore a solution to attenuate this damaging effect: the firm offering an apology and compensation after the online complaint. Overall, strong-relationship customers are more amenable to any level of recovery attempt.

## The Story of Dave Caroll

Sometimes customers can take extreme action to hurt a firm, if they feel they have been treated badly or unfairly. Consider the story of Dave Carrol, a Canadian musician whose guitar was broken on a United Airlines flight from Canada to the US. He and fellow passengers on board had witnessed the baggage-handling crew throwing guitars at a connecting airport in Chicago. At his final destination, Dave discovered that his USD 3,500 guitar had indeed suffered a broken neck. He had already alerted three United Airlines employees in Chicago, but none of them took responsibility. They remained indifferent to his attempts to complain. This was the beginning of nine months' buck passing, during which time he was sent from one person to the next, and ultimately informed that he was ineligible for any compensation.

Then, imagining what Michael Moore would have done, Dave wrote a song about his experience with United Airlines, produced a video and posted it on YouTube on July 6, 2009 (<http://www.youtube.com/watch?v=5YGc4zOqozo>). The lyrics include the verse "I should have flown with someone else, or gone by car, because United breaks guitars". The video amassed 150,000 views within one day, over half a million hits by July 9, 2009, 5 million by mid-August 2009, and over 8 million by March 2010. The story of the song's instant success and the public relations humiliation for United Airlines was reported in media all over the world. Finally, it prompted a reaction from United, who offered to compensate the damage and promised to check its policies.

## THE AUTHORS

*Yany Grégoire*, Associate Professor of Marketing at HEC Montréal, Montréal, Canada  
[yany.gregoire@hec.ca](mailto:yany.gregoire@hec.ca)

*Thomas M. Tripp*, Professor of Management at Washington State University, Vancouver, Canada  
[ttrip@vancouver.wsu.edu](mailto:ttrip@vancouver.wsu.edu)

*Renaud Legoux*, Assistant Professor of Marketing at HEC Montréal, Canada  
[renaud.legoux@hec.ca](mailto:renaud.legoux@hec.ca)

This article is an updated version of Grégoire, Y., Thomas M. Tripp, and Renaud Legoux. (2009), "When Customer Love Turns into Lasting Hate: The Effects of Relationship Strength and Time on Customer Revenge and Avoidance", in: *Journal of Marketing*, Vol. 73 (November), pp. 18–32, and is published with the permission of the American Marketing Association.

{ Box 1 }

## THE STUDY

To analyze whether customers behave as expected, the authors surveyed customers who sent an online complaint to one of two large and professionally managed, third party US complaint websites (consumeraffairs.com and rip-off\_report.com). Customers who had filed a complaint within the preceding 10 days of the survey were included. Overall, 17.5% of the complaints were classified as “unspecified recovery stage”. After excluding these instances, 96.2% of the complaints were classified as “double deviation”. Only 13 (3.5%) service failures with no recovery request were identified and only one service failure recovery followed by a positive recovery. For the “double deviation” instances, 83.1% of these respondents requested many recoveries from the firm.

The study included four waves. The first series of questions was followed by three further questionnaires, each after a period of two weeks. 431

participants completed the first survey. Overall, 172 respondents completed all four phases, covering complaints in diverse industries.

In the first wave, respondents answered questions related to their prior relationships, desires for revenge and avoidance, perceived betrayal, and control variables (e.g., perceived severity or fairness). Waves 2-4 used fewer measures, and the respondents mostly answered questions about their desires, perceived betrayal, and some behaviors.

An individual growth modeling approach was applied to test the assumed relations on an aggregate level and to also track individual change patterns over time. The first analyses showed the effect of time on revenge and avoidance (aggregate, Fig.1). The second level model included the variables described in the precedent paragraph to explain their interaction with time in effecting either desire for revenge or avoidance (individual, Fig. 2, 3).

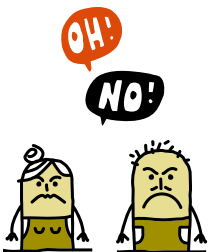
### Online Public Complaining

Online public complaining, a phenomenon defined as the act of using the internet to publicly complain about firms, happens every day in different forms and intensities. A vast array of online third-party organizations offer convenient preformatted platforms that customers can use. For instance, complaint websites (e.g., complaints.com) and consumer agencies (e.g., bbb.com) provide online environments in which customers can post their misadventures, and chat with others. User-generated content websites such as youtube.com also offer accessible venues for complaining (as demonstrated above) as well as “homemade” anti-corporation websites (e.g., starbucked.com).

However, not all service failure situations are likely to lead to online and public action. Customers typically engage in online public complaining when a service failure is followed by failed recoveries — that is to say, when firms keep failing to address direct complaints. Such in-

stances are also referred to as “double deviations”. That is exactly what happened in Dave Carroll’s case. Before he went public, he aimed to solve his problem in direct contact with United Airlines — he even tried for nine months! The case further reveals the serious consequences that customers’ desire to take revenge can have for firms, given current internet possibilities. Whereas the damage of negative word-of-mouth was limited to a fairly small audience until a few years ago, online reports can now reach millions of people within a few days.

In light of these developments, the business press has identified online complaining as a growing threat that needs managers’ consideration. In order to guide managers’ actions, the current research examines the evolution of the grudge of online complainers over time. It pays special attention to firms’ best customers — that is to say, those who perceive they have strong relationships with firms. Specifically, the following three core questions are addressed:



1. Do online complainers forgive or hold a grudge against firms over time?
2. How does a strong relationship affect the evolution of this grudge? Do your best customers become your worst enemies, or are they more forgiving? Do they hold a grudge over an even longer period, compared to other customers?
3. Can offering a recovery help after the online complaint occurs? How should managers best react in such situations?

### Complainers Grudge Changes Over Time

Most online complainers have been the “victims” of a series of failures. As a consequence they feel betrayed and develop vivid desires for revenge and avoidance. As long as customers maintain these desires (or one of them), they hold a grudge against firms and fail to forgive. A desire for revenge can be compared to a “fighting” strategy, and is at the origin of most retaliatory behaviors, such as private vindictive complaining (e.g., insulting employees), negative word of mouth and public complaining through online venues. In turn, a desire for avoidance motivates customers to “take flight” by reducing their patronage with firms to avoid further damage. Revenge and avoidance are not mutually exclusive, but can coexist. For instance, a customer can diminish his or her patronage (i.e., avoidance) while also badmouthing to his friends and on complaint websites (i.e., revenge).

Both manifestations of a grudge are expected to evolve differently over time. Revenge and its related thoughts, feelings and actions are expected to decrease over time. Retaliatory actions or fights require energy to plot and pursue, without any promise of material gains. Besides, a desire for revenge requires extensive psychological resources. Sustaining a certain level of negative emotions and thoughts is difficult over time. Furthermore, this decreasing pattern may be supported by a potentially “quenching” effect of online public complaining. Customers may feel they have satisfied their desire for revenge by taking public action against the firms.

On the other hand, a desire for avoidance should increase over time. Commercial relationships can be replaced quite easily (especially after looking for an adequate alternative for some time) and customers are expected to use the less costly alternative of mere avoidance after having complained publicly.

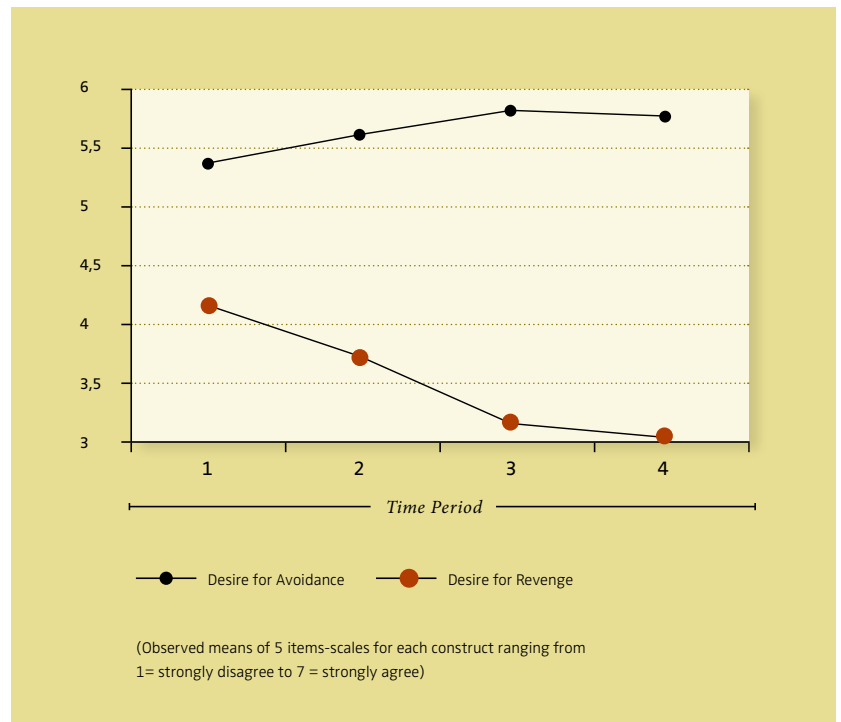


Figure 1 illustrates the results which confirm the assumed relations between the desire for revenge and avoidance over time. The desire for revenge decreases considerably during the first three periods and continues to decline somewhat in the fourth. The desire for avoidance increases during the first three periods and slightly falls in the fourth. The changes in desire for avoidance are weaker than those for revenge.

**FIGURE 1:**  
Evolution of Revenge and Avoidance over Time

The authors also explored whether a recovery that customers received after their online complaint had any reducing effect on their desires for revenge or avoidance. To measure this variable, participants stated whether or not the service failure was resolved to their satisfaction since they complained to the website. The proportion of complainers who received a recovery went from 15.4 %, to 23.0 %, and to 27.6 % at times 2, 3 and 4, respectively. Customers who received a satisfactory recovery at times 2 and 3 reported reductions in their desire for revenge, but a late post-complaint recovery at time 4 did not affect the desire for revenge. However, this form of recovery does not seem to bring back the business of online complainers. Such post-complaint recovery had no significant effect on a desire for avoidance at any time period.

» Most online complainers have been the “victims” of a series of failures. As a consequence they feel betrayed and develop vivid desires for revenge and avoidance. «



### Best Customers Become Worst Enemies

In light of a potential grudge-holding, the second question becomes especially crucial. Given the profitability of strong-relationship customers, firms need to know whether their best customers hold this grudge more permanently. At first sight, it seems counterintuitive that strong relationships should amplify customers' unfavorable responses to negative service encounters. Overall, close ties have rather been assumed to protect firms against the possible damage that service failures and poor recoveries can cause. However, considering that feelings of betrayal play a role in causing online public complaining, it makes sense to assume negative effects of strong relationships. As a relationship gains in strength, repeatedly denied claims are perceived as a significant violation of fairness and lead to an increased sense of betrayal. Strong-relationship customers are more likely to take offense if they are the victims of a service failure episode, especially if they asked for help. They may believe that firms “owe” them more than they owe weaker-relationship customers and may feel particularly betrayed. This, in turn, might drive strong-relationship customers to retaliate with greater intensity. Compared to customers with weaker relationships, the desire for revenge of strong-relationship customers should therefore be maintained over a longer period of time, and their desire for avoidance should increase more rapidly. A type of love-becomes-hate effect is expected to take place over time.

The data from the study confirm that strong relationships increase perceived betrayal. Compared to weak-relationship customers, strong-relationship customers feel more betrayed at each time period. For both types of relationship, perceived betrayal on average, decreased over time. (Figure 2)

Furthermore, relationship quality was not only linked to perceived betrayal but also, very consistently over time, to the desire for revenge and avoidance.

Figure 3a shows the pattern of change over time for two different levels of relationship quality. The desire for revenge of strong-relationship customers decreased more slowly than that of weak-relationship customers. As illustrated in Figure 3b, the desire for avoidance by strong-relationship customers increases more rapidly over time than that of weak-relationship customers.

### Breaking the Love-Becomes-Hate Effect: Is a Simple Apology Enough?

The third question explores possible actions companies might take to attenuate this love-becomes-hate effect. The findings of the study are somewhat encouraging in this respect: Although online complainers were unlikely to patronize the firm again, a timely recovery attempt substantially decreased their desire for revenge. To further investigate to what extent strong-relationship customers differ in their reaction from weak-relationship customers and what type of post-complaint recovery should be sought, a follow-up experiment was arranged. The relational orientation of strong-relationship customers suggests that there is a difference again: relationship-focused customers should be more amenable to recovery efforts, regardless of the size or economic value. For them, the perceived sincerity of an apology and the admission of wrongdoing have even been found to be more important than restitution or product replacement.

For weak-relationship customers, however, the concerns and advice are different. These customers are especially motivated by financial repayments and exchange, and they believe they should be fully compensated for their problems. Thus, the size of the compensation is more important to them than the social efforts. Accordingly, their desire for revenge should decrease in proportion to the level of recovery offered. Specifically, their desire for revenge should be the most reduced over time when they receive a high recovery.

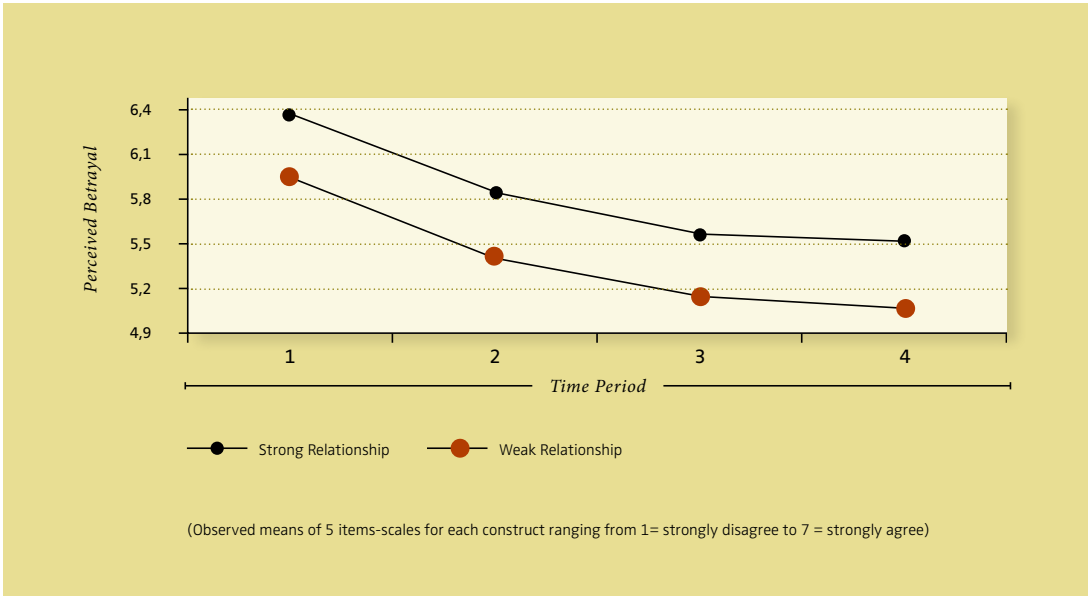


FIGURE 2:  
The Effects of Relationship Quality on Perceived Betrayal over Time

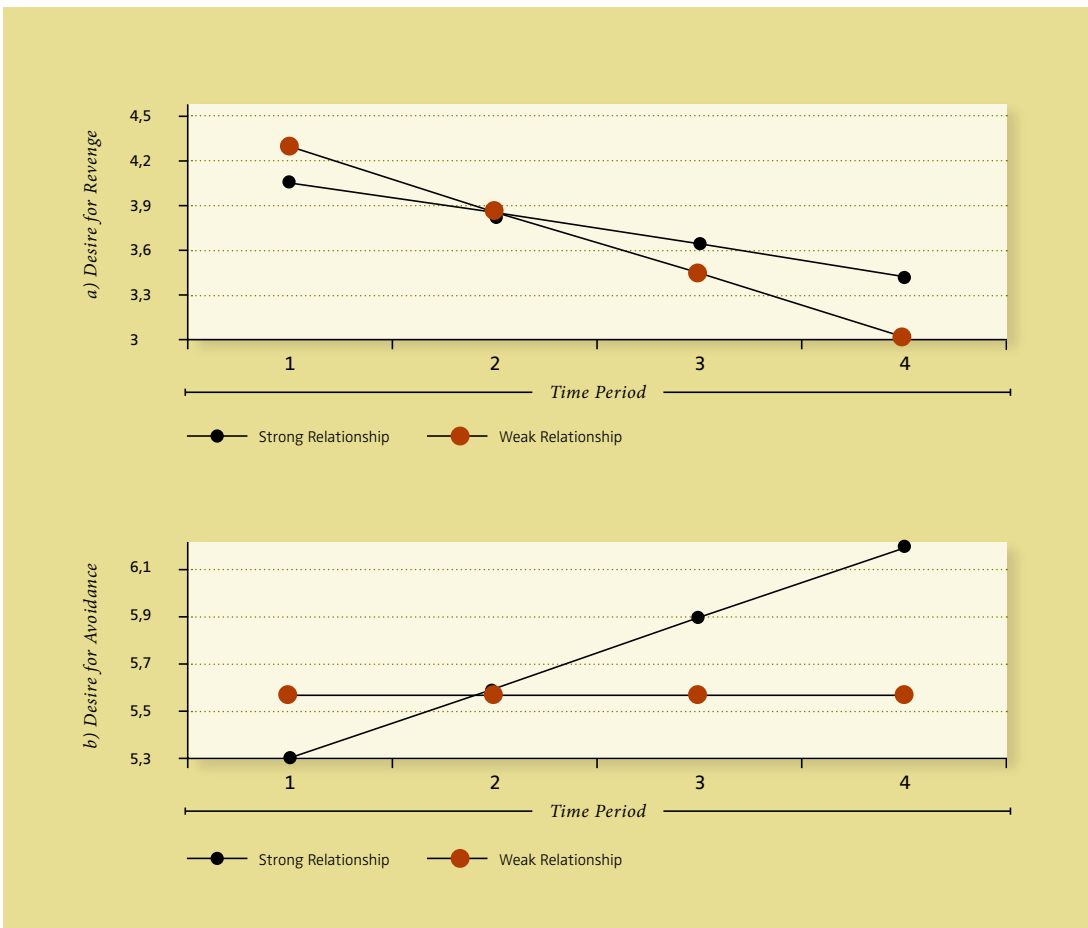


FIGURE 3:  
The Interaction Effects between Relationship Quality and Time into Predicting Revenge Desires (a) and Avoidance (b)

**FIGURE 4:**  
The Effects of Recovery Attempts on the Desire for Revenge of Strong versus Weak Relationship Customers



Figure 4 shows the major results of the experiment. The desire for revenge of strong-relationship customers substantially decreased when either a normal recovery or a high recovery was offered. The desire for revenge remained the same when no recovery was offered. Although strong-relationship customers felt more betrayed when no recovery was offered, this perception and their desire for revenge were greatly attenuated (over time) by an apology and a modest post-complaint recovery. In their case, an expensive recovery is not necessary because it does not have more “revenge quenching” power.

The desire for revenge of weak-relationship customers evolved very differently. A substantial decrease was only observed when a high recovery was offered. The desire for revenge remained the same when no recovery or a normal recovery was offered. Weak-relationship customers seem more calculative and instrumentally oriented. Only an expensive and high recovery attempt had a reducing effect on the revenge of these customers over time.

**Key Insights**

**Online complainers do indeed hold a grudge over time**  
Time does not fully “heal” the problems related to online public complaining. Although customers’ revenge decreases with time, they hold a grudge through their growing desire for avoidance. After their online complaints, these customers have an intense and growing desire to cut any forms of interactions with firms. Their patronage seems definitively lost, a situation that has drastic repercussions on the estimations of customer lifestyle value. In addition, this patronage is unlikely to be restored with any recovery initiatives. A post-complaint recovery did not have any attenuating effect on avoidance in the main study. Online complaining could be interpreted as a form of divorce that is announced publicly. Complainers claim strenuously that they will not return to these firms, and they do not. Despite this pessimistic outlook, managers can find comfort in the decrease of revenge over time. Online complainers may leave permanently, but at least, their grudge does not take the form of permanent retaliation.



***Firms' best customers hold this grudge over a longer period of time***

Relationship quality affects the evolution of revenge and avoidance desires in a manner that can damage firms. Firms' prior best customers, after their online complaints, maintain their desire for revenge over a longer period of time than do other customers. Best customers' desire for avoidance also increases at a faster pace over time. This form of love-becomes-hate effect shows that strong relationships can "backfire" on firms after a poor recovery. In the case of perceived betrayal, apparently there is no "safety cushion" at all.

***Offering a timely post-complaint recovery may help***

When firms act fast within the post complaint recovery process, they might be able to succeed in reducing their customers' desire for revenge. However, the form of reaction is important as strong- and weak-relationship customers' expectations of an adequate reaction are quite different. Even a reaction that is considered fair does not reduce complainers' desire for avoidance.

**Managerial Implications**

> ***Invest in the prevention of perceived betrayal***

The potential costs of online customer retaliation are significant, and they are above and beyond the loss of a customer's lifetime patronage. Therefore prevention is arguably the best strategy against offensive reactions. To prevent betrayal and retaliation, firms must have a clear understanding of the normative expectations of their customers, and identify the point at which poor recoveries are viewed as normative violations. If customers perceive that recovery procedures and interpersonal interactions are fair, they will feel less betrayed, regardless of the outcomes received and their levels of relationship. Corporate recovery policies should reflect this notion.

> ***React quickly or never, if something goes wrong***

Ensure that grievances are effectively "repaired" early in the recovery process (within five weeks of the online complaint, according to the data of the study). Offering a timely post-complaint recovery should substantially reduce complainers' potential retaliations. A desire for revenge naturally decreases over time and "quenching" effects of having complained publicly also already help. Therefore, compensation thereafter is wasted money, though an apology at any time can probably never be wrong.

{ Box 2 }

**EXPERIMENT:  
DESIGN AND PROCEDURE**

Participants were confronted with a fictional scenario (time 1) that described a "double deviation", which was followed by a recovery attempt after an online public complaint (at time 2, after a filler task). They were asked to imagine themselves in the role of a customer who experienced a service failure at a French restaurant and exposed to the relationship quality manipulations. Then they read the information about a service failure and a failed recovery. The total value of the meal was USD 75. After reading this, the participants answered a series of questions about feelings of betrayal, desire for revenge and avoidance. To simulate online public complaining, all participants had to write a blog about the restaurant on "an influential news-group about French cuisine".

Next, (time 2), they were exposed to different levels of recovery. In the "no recovery" condition, the owner did not offer any apologies or compensation. In both recovery conditions (i.e., normal and high), the owner recognized his fault and offered an apology. He then offered a USD 50 gift certificate in the "normal recovery" condition versus a full reimbursement (USD 75) and a bottle of French wine (USD 25) in the "high recovery" condition. Then, the participants completed another series of questions.

» Although online complainers were unlikely to patronize the firm again, a timely recovery attempt substantially decreased their desire for revenge. «



> **Identify your strong-relationship customers**

It makes sense to differentiate between strong- and weak-relationship customers given the different patterns of grudge evolution and reactions to recoveries. Firms should make special efforts to identify customers with close ties. Yet, the identification of these customers could be more challenging than expected. Customers who perceive a high level of relationship quality are not necessarily those who had the longest relationship with a firm or who had the highest frequency of interaction. Accordingly, firms should collect data about their customers' perceptions of relationship quality, and not exclusively rely on behavioral measures already available in their information systems.

> **Focus on post-complaint recovery of strong-relationship customers**

To prevent "love-becomes-hate" situations, firms should develop recovery procedures that are specifically designed to satisfy the needs of strong-relationship customers. Their betrayal and desire for revenge almost disappear over time when they receive any level of recovery. Indeed, there were no differences in their desire for revenge after receiving a normal recovery (a USD 50 gift certificate) versus a high-end recovery (i.e., a USD 75 cash value and a USD 25 bottle of wine) for a USD 75 dinner. These results suggest that firms need not "go beyond the call of duty" with strong relationship customers, who seem more interested by the social rather than the economic value of a recovery. It is advisable for firms to pay particular attention to tracking the online activities of these customers. Once identified, firms should quickly offer them a recovery that includes: an acknowledgement of responsibility, an apology, and a "normal" compensation in the form of a gift certificate or replacement rather than a cash reimbursement.

On the other hand, firms should be cautious about using a post-complaint recovery with weak-relationship customers. The revenge of these customers is conditioned by the level of a recovery. As a result, firms have to invest in a costly recovery to obtain a pronounced decrease in their revenge. A normal recovery is not sufficient. Because these customers are unlikely to return, they may not

be worth such a high investment. Additionally, the desire for revenge of these customers decreases more quickly, and becomes very low after five weeks even when no recovery is offered. It seems that time will naturally reduce the revenge of weak-relationship customers anyway.

#### ... and what about Dave Carroll?

Dave refused the very late offer for compensation of United and stuck to his original plan of making two more songs and videos on his experiences. By creatively working on his "United breaks guitars trilogy" and its enormous resonance and success with customers with similar experiences (almost everybody, it seems) his grudge vanished into thin air: *"I've been done being angry for quite some time and, if anything, I should thank United. They've given me a creative outlet that has brought people together from around the world. We had a pile of laughs making the recording and the video while the images are spinning on how to make 'United: Song 2' even better than the first. So, thanks United. If my guitar had to be smashed due to extreme negligence I'm glad it was you that did it!"* (<http://www.davecarrollmusic.com/ubg/story/>)

## FURTHER READING

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*Grégoire, Yany and Robert J. Fisher (2006), "The Effects of Relationship Quality on Customer Retaliation", Marketing Letters, 17 (January), pp. 31 – 46.*

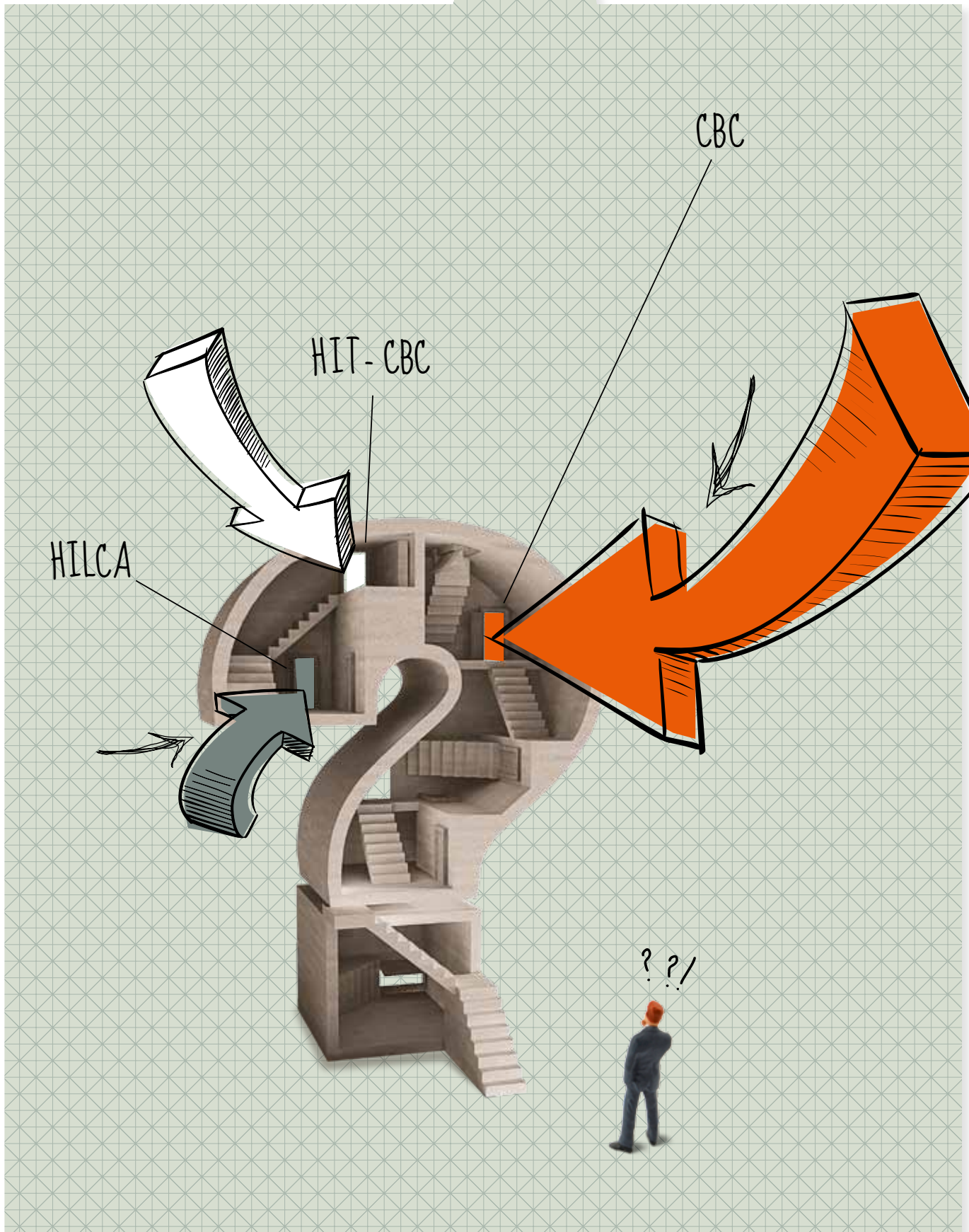
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#### KEYWORDS:

Customer Relationship Management, Service Failure-Recovery, Customer Revenge, Customer Avoidance, Online Public Complaining

{ New Methods }



# Preference Measurement with Conjoint Analysis

## OVERVIEW OF STATE-OF-THE-ART APPROACHES AND RECENT DEVELOPMENTS

*Felix Eggers and Henrik Sattler*

Determining consumer preferences is still one of the most important topics in marketing research. Not surprisingly, numerous approaches have been developed for this task. Conjoint measurement techniques are among the most prominent and different forms have emerged over the years. Depending on the specific research setting, all of them have their advantages and drawbacks. The authors discuss the nature and applicability of recent conjoint approaches and provide examples. Guidelines for selecting the optimal technique help to identify which approach works best in a given situation.

### Why Preference Measurement is Important

Preference measurement, one of the most important topics in marketing research, helps marketing and management decision makers by revealing what consumers like and prefer. In addition to describing what consumers do, preference-based analyses reveal the underlying motives for their actions. In turn, the analyses generate sustainable consumer insights and a solid basis for predicting consumer behavior, including their purchase decisions.

In preference measurement products (including services) represent attribute bundles, i.e., combinations of attribute levels. Accordingly, a television is a bundle of its attributes, such as its brand (with the attribute levels Sony, Samsung, Grundig, and Panasonic, for example), screen technology, screen size, interfaces, price, and so on. Preference measurement tries to analyze how con-

sumers value each component and come up with a quantifiable result. Formally, this valuation produces a utility function that translates the specific characteristics of a product into consumers' perceived preferences. This function can then predict purchase decisions in varying conditions, such as for product modifications, competitive reactions, or various pricing scenarios. With these predictions, managers can recognize which attributes and characteristics have the greatest impact on consumers' choice processes or can measure price elasticity. Beyond pricing and product management, preference measurement supports brand management; for example, it can assess the potential for a brand extension into other product categories or determine a brand's monetary value. Other applications include predictions about the diffusion of innovations or preference-based market segmentation.

### THE AUTHORS

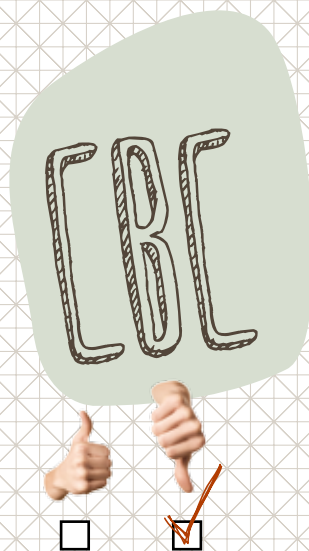
*Felix Eggers*, Postdoctoral Research Associate, Institute of Marketing & Media, University of Hamburg, Germany, [eggers@econ.uni-hamburg.de](mailto:eggers@econ.uni-hamburg.de)

*Henrik Sattler*, Professor of Marketing and Branding, Head of the Institute of Marketing & Media, University of Hamburg, Germany, [henriksattler@gmail.com](mailto:henriksattler@gmail.com)

This article summarizes various publications by the authors.

The motivation for new methodological approaches is based on *Eggers, F. and Sattler, H. (2009): "Hybrid Individualized Two-level Choice-based Conjoint (HIT-CBC): A New Method for Measuring Preference Structures with Many Attribute Levels", International Journal of Research in Marketing, 26 (2), pp. 108 – 118.*

» Although choices are omnipresent and CBC has conceptual advantages, this method is often not the final answer. «



In the past 40 years, various methods have tried to elicit consumer preferences using experimental questionnaires. Generally, these methods can be categorized into three groups:

- > **Compositional approaches.** Respondents evaluate the product attributes and levels separately, and then the total utility of a product can be computed by a simple linear aggregation rule. The perceived utility of an entire product therefore is *composed* of the ratings of its specific attributes and levels. The most prominent compositional approach is the self-explicated method.
- > **Decompositional approaches.** Respondents evaluate entire products by *considering* the product attributes and levels *jointly* (i.e., conjoint analysis). These preferences then can be *decomposed* using statistical methods.
- > **Hybrid approaches.** Combinations of the compositional and decompositional approaches.

Although there is no golden rule for selecting one of these approaches, conjoint analysis has become the most popular method for measuring customers' preference structures.

Conjoint methods differ in how the respondent evaluates the examined product. Traditional conjoint methods use a ranking or rating procedure as a proxy for people's preferences. In choice-based conjoint (CBC), as initiated by Louviere and colleagues, consumers repeatedly choose their most preferred product from a set of alternatives. The CBC approach is effective, because choices are an integral part of people's everyday life. Buying a specific product or deciding to read this journal, rather than another, represent choices that are "natural" manifestations of a person's preference, and they are easy to accomplish. In contrast, rating products, e.g., on a scale from 1 to 7, is not a behavior that a person usually adopts in typical purchase decisions. Moreover, the meaning of the values on the rating scale is more or less open for interpretation. Ratings are especially problematic in cross-cultural studies (e.g., international brand valuation), because different cultures react differently to rating scales (e.g., some cultures always avoid scale endpoints or specific numbers).

Although choices are omnipresent and CBC has conceptual advantages, this method is often not the final answer. A weakness is that analyzing choices generates limited information: which alternative was chosen and which were not. The differences in the attractiveness of the alternatives remain unclear. In this respect, ranking- or rating-based conjoint methods provide more information, because the respondents evaluate each alternative explicitly. As a relatively new methodological approach, CBC continues to require extensive research, including efforts to test variations of its procedure, choice design, or estimation—or completely new choice-based methods. Next, we will discuss the required steps when conducting CBC surveys and highlight under which conditions the method is likely to perform well. We then describe some of the newer adaptive conjoint approaches, each of which attempts to overcome some of the limitations of a standard CBC approach.

### State of the Art: Choice-Based Conjoint (CBC)

Conducting CBC studies requires decisions about five steps (Box 1). We describe these steps in more detail and highlight some current issues. As an example, we describe measuring preferences in the airline industry, which can be used to improve the product portfolio based on consumer demand.

#### Study Design

The initial step in designing a research study is perhaps the most important part in measuring preferences. It has to answer how products might be decomposed into their attributes and levels. Eventually, we need to be able to construct our own product offering, as well as competitors', from the determined list of attributes and levels. For airlines that offer, for example, flights to a European city, the following attributes (levels) might be relevant: destination (Rome, Paris, London), airline (Lufthansa, Air Berlin, easyJet), stops (direct flight, one stop), meals (included, not included), free baggage (10 kg, 15 kg, 20 kg), and ticket price (49 €, 75 €, 99 €, 125 €, 149 €).

**Number of attributes:** Because of the low information efficiency of choices and due to the increasing complexity in information processing for the respondent when the number of attributes becomes larger, it is generally advisable to include only a few (i.e., about six) attributes in the study design. If additional attributes seem relevant

{ Box 1 }

#### STEPS WHEN CONDUCTING CBC STUDIES

1. Study design
2. Choice design
3. Choice elicitation (survey)
4. Estimation
5. Analysis and interpretation

{ Box 2 }

#### CHALLENGES WHEN SELECTING THE NUMBER OF LEVELS

1. Estimation error
2. Number-of-levels effect
3. Range effect

(e.g., business or economy class seats, legroom) but are not the primary focus of the research question, they could be included to increase realism but remain fixed in the survey. For example, the study design could inform respondents that all the flight offers feature economy class seats with standard legroom. If the number of experimentally varied attributes exceeds six by a lot, a compositional, hybrid, or adaptive approach should be used instead — which we discuss subsequently.

**Number of levels:** For each attribute, we need to determine specific levels to vary in the experiment. To be applicable, the levels must provide a realistic representation of the marketplace, and they have to be broadly acceptable to most respondents. Unacceptable levels (e.g., poor safety records) would provoke noncompensatory decision rules and prevent any realistic trade-off decisions by the respondents. It does not matter how appealing a price is, if the airline cannot get the respondent to the destination safely.

Moreover, the number of levels for each attribute should be reasonable in number. Three challenges evolve regarding the number of levels: (Box 2)

**Estimation error.** The more levels are integrated the more preference values have to be estimated, which means that each estimate becomes less reliable. For quantitative attributes like price, which could potentially exhibit a continuous range of levels, it is advisable to have more reliable information about fewer levels rather than less precisely measured information about more price points. As a general rule of thumb, the number of levels should not exceed seven. However, for large sample sizes or when measuring only a few attributes, more levels might be feasible.

**Number-of-levels effect.** This effect arises when the number of levels is not distributed equally across the attributes (e.g., five levels for price but two for meals). The effect leads to a higher relative importance for an attribute with more levels, which artificially biases the results. This bias is especially likely in pricing studies, in which managers want to investigate multiple price levels, such as when they attempt to discover price thresholds. In any pricing study that combines multiple price levels with a yes-or-no attribute (e.g., meal or no meal), the price attribute gets overrated and leads to an artificially higher price sensitivity. We have shown empirically that willingness-to-pay measures derived from such a study can differ from the unbiased result by 20 %. Having prices that are 20 % less than the optimal price clearly demonstrates the negative impact this effect can have on managerial implications. Thus, the number of levels should be kept balanced across all attributes. However, if they cannot be balanced, the adaptive HIT-CBC method is available (as we describe subsequently); alternatively, compositional approaches are immune to the number-of-levels effect.

**Range effects.** The importance of an attribute should depend on the range of its levels. For example, when a consumer considers an airline trip to several destinations for prices ranging from 100 € to 500 €, price as an attribute should be more important than it would be in a situation with the same set of airline trips but prices ranging from 250 € to 350 €. People adjust attribute weights for different ranges less than would be theoretically required, which results in a biased attribute weight. This bias occurs particularly for compositional approaches and to a lesser extent for CBC. In any case, it is advisable to use levels that lead to a typical range for the studied purchase decision.

{ Box 3 }

#### CRITERIA TO SELECT CHOICE DESIGNS

**1. Balance:**

All attribute levels appear an equal number of times.

**2. Orthogonality:**

Each attribute level pair appears an equal number of times.

**3. Minimal overlap:**

The alternatives within a choice set are maximally different from one another, i.e., avoid equal levels within one attribute.

**4. Utility balance:**

The alternatives within a choice set are equally attractive to the respondent, such that choice sets avoid dominating or dominated alternatives.

#### Choice Design

The choice design, unfortunately, is often neglected when developing a research project. It refers to which alternatives, i.e., which attribute level combinations, should be included in the survey and how to allocate them across choice sets (see Figure 1). Thus, choice design is particularly important in CBC studies, because it has a direct effect on the reliability of the results. Because of the low information efficiency of analyzing choices it has to be made sure that the right alternatives are presented in a choice set so that none of the information they gather gets wasted.

Determining an optimal choice design remains one of the most complex research issues, so it receives a lot of attention in scientific research. In the airline context, we can offer an example of this complexity: The six attributes and levels we mentioned would create  $(3 \times 3 \times 2 \times 2 \times 3 \times 5)$  540 possible flight trip combinations. It is clearly unreasonable to ask a respondent to evaluate 540 product stimuli, and the complexity increases even more when we allocate the stimuli to different choice sets. If there are three alternatives per choice set, we come up with more than 26 million possible sets!



Which of these 26 million sets should appear in a survey? To answer this question, four criteria have been formulated by Huber and colleagues that identify an efficient choice design: (Box 3)

The first three criteria can be addressed and tested, e.g., using computerized searches for an efficient choice design. However, utility balance requires prior assumptions about consumers' anticipated utilities, which is often not feasible or advisable. E.g., assuming that Lufthansa is more preferred than Air Berlin cannot be generalized across all consumers. Therefore, recent developments suggest some dynamic approaches, such as fast polyhedral adaptive conjoint estimation, proposed by Toubia and colleagues. These methods try to adapt choice designs individually during the questionnaire, in response to a person's specific answers. This approach is generally promising, but the currently available algorithms are not efficient enough and require simplifying assumptions about the utility structure. Therefore, they do not consistently lead to better (i.e., more efficient) choice designs. Adaptive conjoint methods take a more general approach to utility balance (e.g., avoid dominating alternatives), which makes them appealing, as we discuss subsequently.

### Choice Elicitation: Survey


The choice elicitation task involves how to present the choice sets to respondents in the survey. Generally, it is not advisable to start with the choice sets but rather to let the respondent become familiar with the attributes and levels first.

One of the major benefits of CBC is that it can include a no-choice option (e.g., "I would not buy any of these alternatives"), which increases realism. However, if a respondent chooses none of the alternatives in a set, information about his or her relative preference for the other alternatives is lost. The worst-case scenario would be that a respondent chooses "none" in all the choice sets, which prevents the estimation of preferences. Therefore, it can be preferable to include the no-choice option as a separate question, after each choice task (e.g., "Would you actually buy your preferred choice if it was available?").

Because answering choice sets repeatedly can be monotonous, respondents tend to get tired or bored after a while. Research shows that respondent fatigue and decreasing attention changes the choice behavior over the

IF THESE WERE THE ONLY OFFERS AVAILABLE, WHICH EUROPEAN CITY TRIP WOULD YOU BUY MOST LIKELY?

Destination:	Rome	Paris	London
Airline:	easyJet	Lufthansa	Air Berlin
Stops:	One intermediary stop	Direct flight	Direct flight
Meals:	Included	Included	Not included
Free Baggage:	20 kg	10 kg	15 kg
Ticket Price:	€ 99,-	€ 149,-	€ 49,-



course of the survey. For example, respondents tend to use brand or price as their main criteria later in the survey, instead of processing all the attribute information in the choice sets. To avoid this behavior, the survey design should include only about 12 – 15 choice sets (though the total also depends on the study design) or should motivate the respondents throughout the survey.

FIGURE 1:  
Example of a Choice Set

One way to keep respondents engaged and avoid hypothetical bias is by using incentive-alignment procedures. These methods grant respondents a budget in the beginning of the survey, which they can spend in each of the subsequent choice sets. After they have made all their choices, the researcher randomly selects one set and fulfills the respondent's choice in that set—that is, the respondent receives the alternative he or she chose for the price shown, as well as the remainder of his or her budget (if there is any). If he or she chooses none of the alternatives, the respondent receives the cash. Recent research even shows that not every respondent has to receive the money at the end; it is enough to use a raffle that gives the money to a few respondents. In an empirical study about consumer electronics (n=177) we were able to increase the amount of correctly predicted choices by 20 %

{ Box 4 }

#### ASSUMPTIONS TO BE CHECKED WHEN INTERPRETING PREFERENCE DATA

- > There are no external effects, and all attributes that affect a buyer's decision in the real world have been accounted for. For example, if choosing a flight is also based on earning miles for it and this attribute has been left out of the study, predictions will be less accurate.
- > Marketing efforts are equally effective, and buyers are aware of all products.
- > All alternatives are equally available, and there are no out-of-stock conditions.
- > There are no switching costs.

with this incentive-aligned procedure compared to the standard CBC approach. Although this approach certainly is promising and works well, its application is limited to specific product categories. For example, it cannot work for new product innovations, because the alternatives in the sets would not be available for purchase.

#### Estimation

The estimation approach determines the level of detail of the results. Initially, CBC studies relied on an aggregate level, pooling the answers of all the respondents, to overcome the low information efficiency associated with choices. However, such an aggregation assumes that all the respondents are clones, with no differences in their preferences—clearly an unrealistic expectation, e.g., brand preferences and price perceptions are complex psychological constructs that are distributed heterogeneously across consumers.

To account for this consumer heterogeneity and still overcome the information inefficiency, we need to make additional assumptions in an estimation. For example, hierarchical Bayes (HB) analyses assume that respondents' preferences are linked by a common multivariate normal distribution. Because this assumption does not

constrain the data very much but offers a high level of detail, HB is currently the most widespread technique applied to CBC data.

An alternative approach, which may be more managerially relevant, identifies segments on the basis of the choice data, such that the responses get pooled at the segment level. Finding segments that differ in their preferences, e.g., discovering a price sensitive segment or a segment for which free baggage is important, is often a better basis for product differentiation and targeting than is segmentation based on age, gender, profession, or the like. Estimation procedures that cluster respondents into segments based on their choice data and simultaneously calculating their preferences are latent class analyses (LC), also known as finite mixture procedures.

In addition to the estimation algorithm, the researcher must test whether interaction effects between the attributes are significant and might lead to better predictions. Interaction effects occur if, for example, respondents express a different price sensitivity when they evaluate different destinations.

Predictions also can be enhanced by using prior knowledge about the order of preferences for attribute levels as a type of constraint on the estimates. For example, we could constrain the choice model to show that a direct flight is always better than a flight with a stop or that a free meal is better than having to pay for it. However, such constraints should be kept to a minimum, and it is generally not advisable to constrain the price attribute at all, because many results show nonlinear, non-monotonically decreasing price functions. For example, in an airline setting, we have found that about 25% of the respondents preferred the second lowest price to the lowest price, presumably because they worried about low quality and safety issues when the price was too low (i.e., informational effect of price). If we had constrained the preference order in this case, essential information would have been lost.

#### Analysis and Interpretation

Finally, the preference values should not be analyzed in isolation but rather—as they were measured—con-

jointly. The most popular way to assess conjoint preference data is through the use of market simulations. For a given market scenario with different alternatives (specified according to the attributes and levels of the survey), shares can be simulated according to the preference data. These preference shares cannot be interpreted directly as market shares though, because simulations rely on several assumptions (Box 4) that likely differ from real market conditions.

The better these assumptions can be accounted for in the study, e.g., by integrating switching costs, the better the results will match actual market shares.


A good starting point for simulations is a specific benchmark scenario that reflects current market conditions, e.g. several airlines serving different destinations for specific prices. Based on this benchmark scenario, the marketer can change product specifications and analyze whether they result in simulated preference share improvements. For example, how might the shares change if we discontinued free meals or routed flights to Paris instead of Rome? Moreover, with this approach, we can measure price sensitivity as price elasticity (i.e., the price changes of our own product) or as cross-price elasticities (e.g., competitor's price changes), which then can reveal optimal prices.

This price optimization process also can turn to willingness-to-pay (WTP) measures. One such measure divides the preference value of a specific attribute level by the preference value of price, which generates an incremental WTP measure:

$$\text{PRICE/LEVEL (WTP MEASURE)} = \frac{\text{Preference level}}{\text{Preference price}}$$

However, this approach very often yields unrealistic high WTP measures when price sensitivity is low or even misleading results, e.g., when the price function is (partly) positive.

A more robust way to determine WTP is to detect the price at which an alternative changes from being the most preferred to being equally preferred to a second best option



	B keeps price constant	B decreases price
A keeps price constant	A: 5.0 B: 5.0	A: 4.0 B: 6.0
A decreases price	A: 6.0 B: 4.0	A: 4.5 B: 4.5

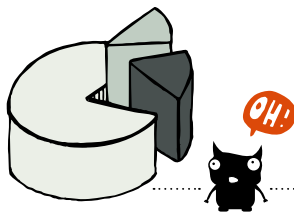
**TABLE 1:**  
Investigation of Potential Competitor Reactions Using Market Simulations

(or the no-choice option). This price then is the maximum WTP for that alternative, because at higher prices, another option would be chosen instead. Yet calculating WTP from preference values remains a topic of continuous debate, marked by various alternative approaches.

To increase the validity and to generalize conjoint simulations, it is promising to combine preference data with a data mining approach. In that way, predictive hypothetical data are merged with actual historical sales data. This procedure can reduce the hypothetical bias created by conjoint analysis and decrease prediction errors by considering different sources of information. Moreover, it offers a way to translate relative preference shares into absolute sales. This translation is most effective for repetitive conjoint analyses, which offers ongoing calibration in a self-learning system.

As a further step, after conducting market simulations and deriving managerial implications, managers should keep in mind that these simulations allow for dynamic variations. For example, an interesting simulation investigates how competitors (who also use conjoint analyses) might react to product modifications (Table 1). This investigation likely needs a game theoretical approach. Imagine that a specific destination is served by two airlines A and B and each airline is earning €5 million in sales from these flights (upper left box in Table 1). If A decreases

» To increase the validity and to generalize conjoint simulations, it is promising to combine preference data with a data mining approach. «



es its price, market simulations predict it will increase its shares and revenues to €6 million, leaving B with a revenue of €4 million (lower left box). The best option for B would be to decrease its prices as well to increase its shares again (lower right box). But now both competitors charge lower prices, so their revenues fall from €5 to €4.5 million. Thus, knowing and anticipating potential competitor reactions can generate valuable information that might prevent the market from falling into such a prisoner's dilemma, which destroys both market and brand value.

#### Future of the Art: Adaptive Conjoint Approaches

With computer-aided surveys, adaptive conjoint approaches are becoming increasingly popular. Unlike static questionnaires, adaptive surveys can react directly to the answers given by each respondent. Therefore, these approaches can exclude unimportant or unacceptable features, prior to eliciting a person's preferences.

Despite their recent growth in popularity, adaptive conjoint questionnaires are nothing new. *Adaptive conjoint analysis* (ACA), introduced in 1987, uses a hybrid approach that combines a compositional phase and a decompositional rating-based conjoint phase. Only the most important attributes identified in the compositional phase appear in the subsequent conjoint phase. Both the compositional and the conjoint phase produce preference data; then, a purchase likelihood calibration

procedure combines these data sets into one optimized set. Because of its adaptive approach and different phases, ACA can include more attributes than traditional or choice-based conjoint applications. However, ACA has become less popular in practice, likely because it often results in approximately equal attribute importance weights across all attributes and an understated weight of price (see figure 2).

A similar adaptive method proposed by Voeth, also based on rating-based conjoint but more sensitive to detecting attribute importance for a large number of attributes, is the *hierarchical individualized limit conjoint analysis* (HILCA). To mitigate the high cognitive burden placed on a respondent who must assess many attributes, HILCA uses the principle of information hierarchy to select the five most important attributes, based on a compositional rating phase that also can indicate unacceptable levels. Only the five attributes move on to the ratings-based conjoint phase, which means the procedure generates the most comprehensive information for those attributes with the greatest impact on the purchase decision. Finally, HILCA presents all alternatives again in the order of their preference ratings and asks the respondent to indicate which alternative is the least attractive that is still considered for buying. This is accomplished by placing a "limit" card, which separates the attractive alternatives from those that the respondent would not choose. This threshold provides a proxy for the no-choice option, which otherwise cannot be integrated directly into traditional conjoint approaches. In an empirical application with 17 attributes we have shown that this individualized hierarchical procedure yields importance weights that are more realistic than those discovered by ACA. Figure 2 shows that the attribute importance weights derived by ACA are flat and have low discrimination while those estimated by a HILCA-like procedure clearly highlight important features.

*Adaptive choice-based conjoint analysis* (ACBC) also aims to reduce irrelevant information to make the conjoint task more engaging for the respondent. However, unlike HILCA, it does not focus on selecting relevant attributes (though they can be integrated as well) but rather on selecting relevant alternatives by identifying a consideration set prior to the conjoint phase. This effort requires two steps: a "build-your-own" step, in which the respondent chooses the best level of each attribute and identifies an optimal product for him or her, and a variation step that alters the optimal version in some attri-

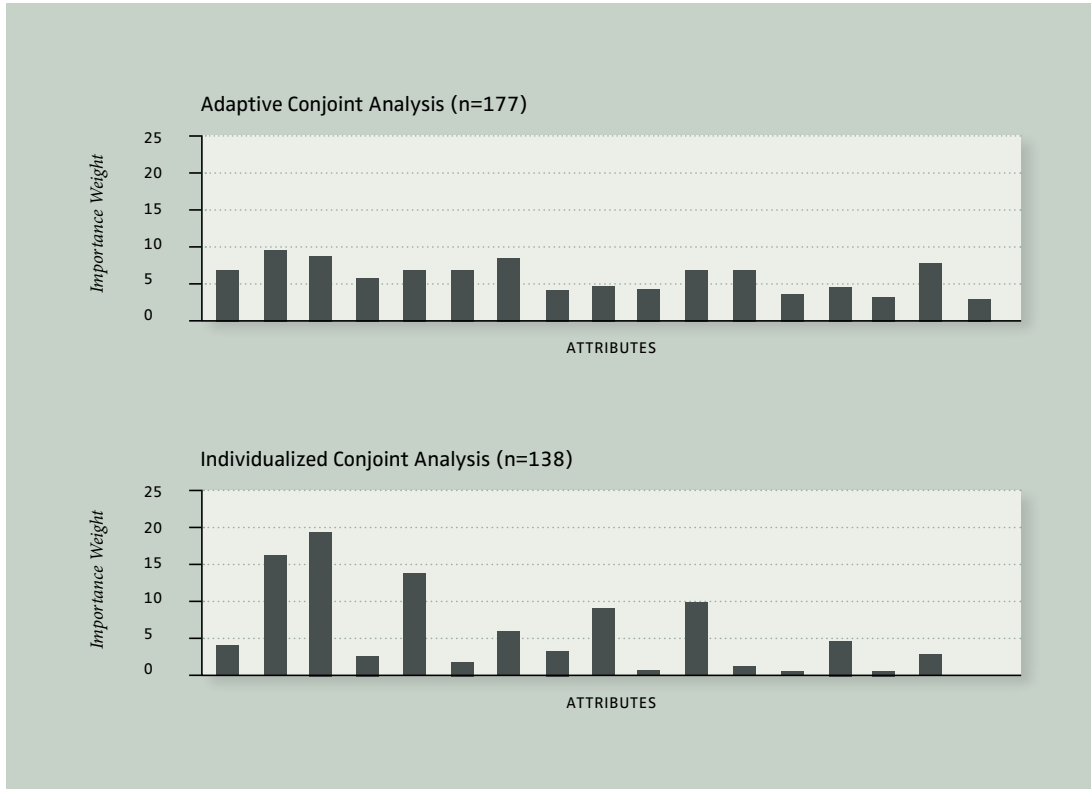


FIGURE 2: Importance Weight Comparison Between ACA and a HILCA-Like Individualized Conjoint Analysis

	Compositional (Self-Explicated)	Traditional Conjoint (Rating/Ranking)	CBC	HILCA	ACBC	HIT-CBC
Choice-based	No	No	Yes	No	Yes	Yes
Adaptive	No	No	No	Yes	Yes	Yes
Number of attributes	High	Small	Small	High	Medium	Small
Number of levels	High	Medium	Medium	Medium	Medium	High
Vulnerable to number-of-levels effect	No	Yes	Yes	Yes	Yes	No
No-choice option	No	No (indirectly via limit card)	Yes	Indirectly through limit card	Indirectly through screening and calibration tasks	Yes
Estimation model	None	Linear	Logit (HB, LC)	Linear	Logit (HB, LC)	Logit (HB, LC)
Minimum sample size (for estimation)	Small	Small	Large	Small	Medium	Medium

TABLE 2: Characteristics of Conjoint Approaches



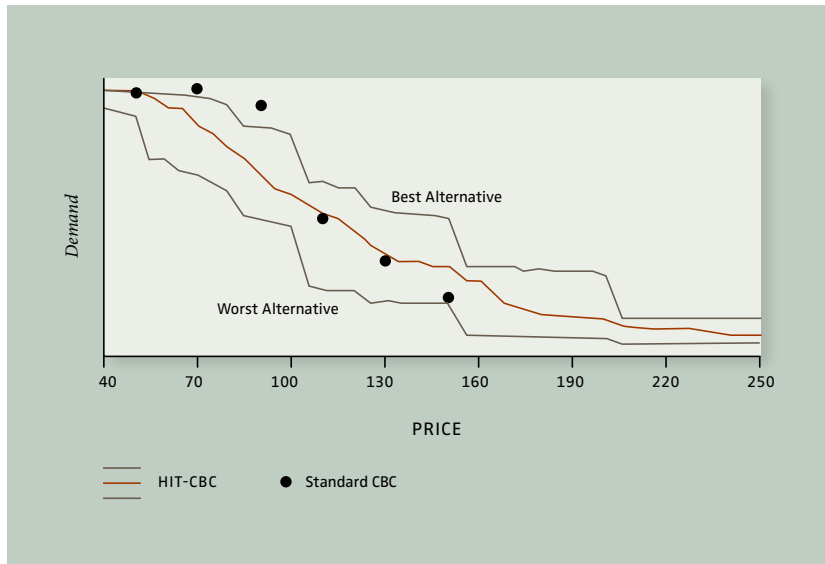


FIGURE 3:  
Demand Function Generated  
by HIT-CBC Compared to a  
Standard CBC Approach

bute levels, such that the respondent indicates whether this alternative is generally acceptable. This repeated screening leads to the consideration set. Apart from building the consideration set another key aim of the screening section is to detect attribute levels that are either must-haves or unacceptable and as such would not be compatible with the conjoint model. This is integrated implicitly into the screening phase because it is often found that too many levels are excluded as unacceptable when elicited directly at the beginning of the survey. Afterwards, only alternatives that are considered for buying are shown in the choice-based conjoint section. Because all alternatives are acceptable a none-option in the choice sets is not necessary. An alternative 'none weight' can be estimated by an optional ACA styled likelihood-to-buy calibration phase or by analyzing the unacceptable alternatives of the screening section.

Finally, another adaptive approach, the *hybrid individualized two-level choice-based conjoint analysis* (HIT-CBC), reduces information processing in the conjoint phase by asking for the best and worst level of each attribute first. Only these levels then appear in the choice-based conjoint phase; the remaining levels get evaluated on a rating scale, such that conjoint estimates can be interpolated according to that rating. Although HIT-CBC reduces information processing for the respondent, its primary purpose is to avoid the number-of-levels effect. Because HIT-CBC reduces every attribute to two levels, the

number-of-levels effect cannot occur. Another benefit of this method is that it reduces the complexity of the choice design significantly. In our airline example, only 64 possible flights exist for HIT-CBC, rather than 540 in standard CBC. Moreover, information about the best and worst levels can indicate the choice sets that best support the efficiency criterion of utility balanced alternatives by avoiding dominated sets. This approach also improves the conjoint estimation, because fewer parameters need to be retrieved, and the transformation to the best and worst levels better accounts for consumer heterogeneity. Stated otherwise, with HIT-CBC it is possible to ask 25 % fewer choice sets and obtain at least the same estimation accuracy of a standard CBC approach. Finally, because the number-of-levels effect is especially likely in pricing studies, HIT-CBC features the possibility of using dynamic price levels, aligned with the respondent's WTP. Adjusting price levels to the price sensitivity of each respondent results in greater flexibility for modeling demand functions (e.g., identifying price thresholds) than does using a fixed number of price levels (see Figure 3).

### Summary and Implications

#### > *Conjoint analysis remains a very popular method for marketing research.*

Choice-based conjoint methods have been examined intensively in the last years and shown to produce valid results. However, current research shows no conclusive proof that CBC dominates other methods in terms of its validity. Choice-based conjoint, traditional conjoint, and adaptive conjoint methods all work generally well for modeling preferences. But as we have highlighted, many aspects of CBC are still under examination so that future research might identify further improvements of the method, e.g., regarding the choice design or choice elicitation task. Until then, the selection of a method that is most suitable depends on the research context.

#### > *How to select the appropriate method*

Table 2 (page 45) can be used to select an appropriate method and summarizes the characteristics of each approach. Generally, CBC is a good contender when the research problem can be described with just a few (i.e., up to six) attributes and when the number of attribute levels is low (i.e., up to seven). The number-of-levels effect can be avoided when the levels are kept balanced across the attributes. Caution should be exercised if at least one attribute has more than twice as

many levels as another attribute. In that case the number-of-levels effect is very likely and the HIT-CBC method should be used instead. HIT-CBC is also a better choice for applications that require more than seven levels per attribute.

If a large number of attributes (i.e., more than six) is relevant to describe a research problem HILCA or ACBC are suitable. However, these also suffer from the number-of-levels effect. An alternative method for studies with many attributes that is immune to the number-of-levels effect can be a compositional (self-explicated) approach, which however cannot consider a no-choice option.

The no-choice option should be integrated into the research design whenever price sensitivity or willingness-to-pay is measured. With the no-choice option respondents have the possibility to refuse a selection when the prices of the alternatives shown are too high. Otherwise, a choice would be forced and willingness-to-pay would be overstated. If the no-choice option is not of primary interest it is a good idea to integrate it as a separate question after each choice task (e.g., "Would you actually buy your preferred choice if it was available?"). In that case the no-choice option can either be included or left out of the estimation model.

#### > *State-of-the art estimation procedures*

Regarding the estimation model, individual-level regressions for linear models or hierarchical Bayes procedures for logit models exhibit the greatest level of detail because they compute preference values for each respondent. Knowing preferences for each individual helps understanding consumer preferences and allows further analyses, e.g., by building clusters based on, e.g., gender or age groups etc. However, for new product development or product differentiation the latent class approach can also be appropriate because it segments the respondents based on their preferences and choice behavior. Analyzing these segments can reveal a demand potential that is not met by current market offerings. •

## FURTHER READING

*Eggers, F. and Sattler, H. (2009), "Hybrid Individualized Two-level Choice-based Conjoint (HIT-CBC): A New Method for Measuring Preference Structures with Many Attribute Levels, International Journal of Research in Marketing", 26 (2), pp. 108 – 118.*

*Huber, J. and Zwerina, K. (1996), "The Importance of Utility Balance in Efficient Choice Designs, Journal of Marketing Research", 33(3), pp. 307 – 317.*

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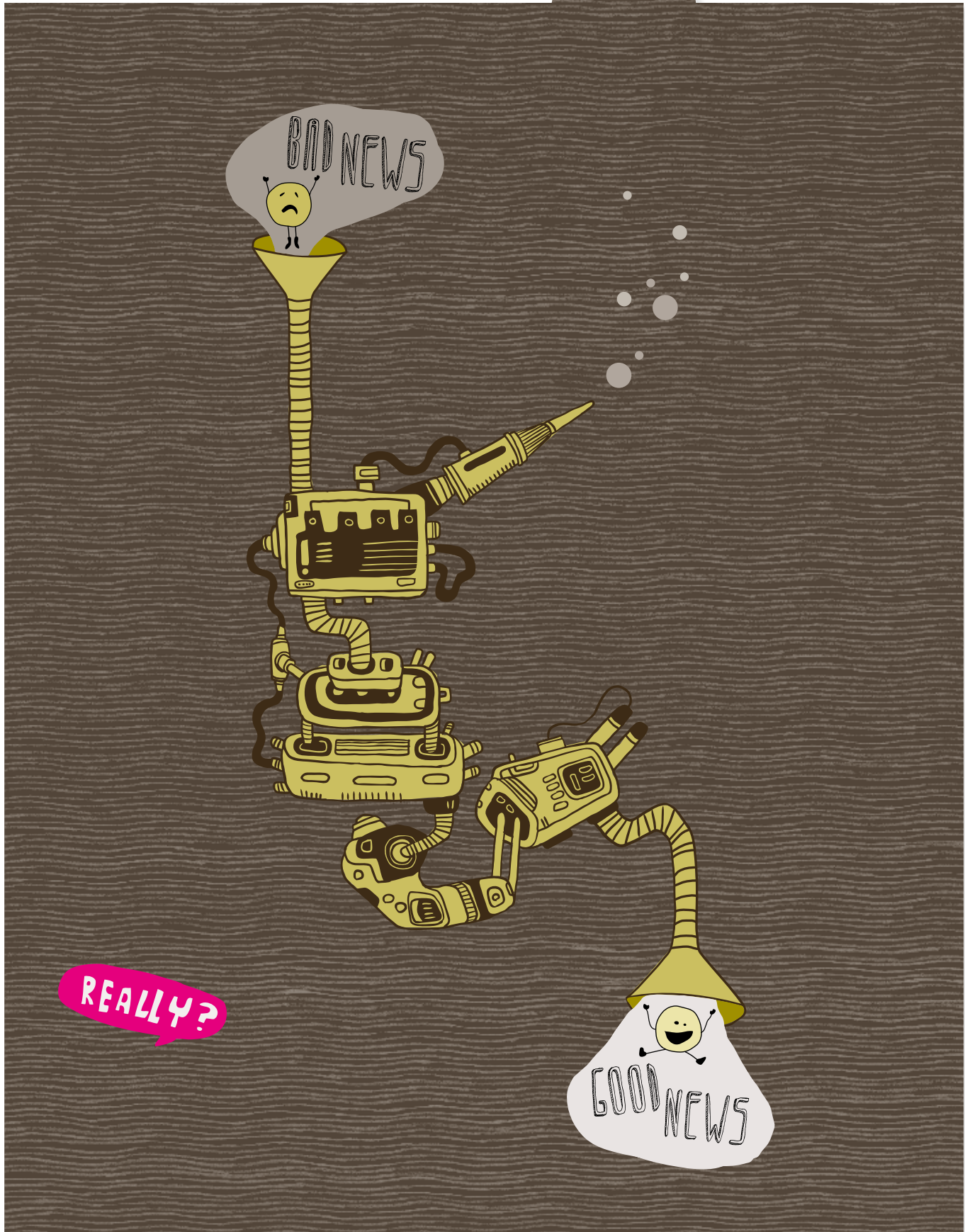
*Toubia, O., Hauser, J.R. and Simester, D.I. (2004), "Polyhedral Methods for Adaptive Choice Based Conjoint Analysis", Journal of Marketing Research, 41 (February), pp. 116 – 131.*

*Voeth, M. (2000): Nutzenmessung in der Kaufverhaltensforschung: Die Hierarchische Individualisierte Limit Conjoint-Analyse. Wiesbaden.*

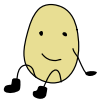
#### KEYWORDS:

Preference Measurement, Conjoint Analysis, CBC, ACA, HILCA, ACBC, HIT-CBC

{ Flashlight }







## Common “Wisdom” Put to the Test: “BAD NEWS IS GOOD NEWS” AND “SEX SELLS”

Can negative information about a product increase sales, and if so, when? Although popular wisdom suggests that “any publicity is good publicity”, prior research has only revealed downsides to negative press. Negative reviews or word-of-mouth, for example, have been found to harm product evaluations and sales. The first research flashlight (page 50) considers this matter from a fresh perspective. The authors examine contexts in which negative publicity about a product will have positive or negative effects.

Another ongoing controversy concerns sex in advertising: does “sex sell”? Scientists, in large part, have concluded that it doesn’t, but marketing practitioners continue to use sex appeals, suggesting they do work. The authors of the second research flashlight (page 54) reveal that both sides are partly right and partly wrong. They took advantage of a technique that allowed them to tap into consumers’ “gut” reactions to advertisements, and in doing so found clear differences in who did and did not like sex appeals.

The first article is an abridged version of *Berger, Jonah, Sorensen, Alan T., and Rasmussen, Scott J. (2010): “Positive Effects of Negative Publicity: When Negative Reviews Increase Sales”, Marketing Science, Vol. 29, Issue 5 (Sep/Oct.), pp. 815–827.*

The second article is an abridged version of *Dahl, Darren W., Sengupta, Jaideep, and Vohs, Kathleen D. (2009): “Sex in Advertising: Gender Differences and the Role of Relationship Commitment”, Journal of Consumer Research, 36 (2), pp. 215–231.*

## BAD NEWS CAN BE GOOD NEWS ... SOMETIMES

*Jonah Berger, Alan T. Sorensen and Scott J. Rasmussen*

### THE AUTHORS

*Jonah Berger*, The Wharton School of the University of Pennsylvania, Philadelphia, USA  
jberger@wharton.upenn.edu

*Alan T. Sorensen*, Stanford Graduate School of Business, Stanford University, Stanford, USA,  
asorensen@stanford.edu

*Scott J. Rasmussen*,  
scott.rasmussen@stanfordalumni.org

Negative publicity often hurts. When a rumor circulated that McDonald's used worm meat in its hamburgers, sales decreased by more than 25 %. Coverage of musician Michael Jackson's bizarre behavior and brushes with the law seriously damaged his career. Viacom Inc. Chairman Sumner Redstone estimated that negative publicity cost *Mission Impossible 3* more than USD 100 million in ticket sales and film pundits believe that it is "almost impossible to recover from bad buzz". Academic research corroborates this sentiment and casts further doubt on the old adage that "any publicity is good publicity". Negative publicity about a product has been shown to harm everything, from product and brand evaluation to a firm's net present value and sales.

A number of intriguing examples, however, seem to contradict these findings. A wine described as "redolent of stinky socks", for example, saw its sales increase by 5 % after it was reviewed by a prominent wine website. Similarly, although the movie *Borat* made relentless fun of the country of Kazakhstan, Hotels.com reported a "300 percent increase in requests for information about the country" after the film was released. Although these may just be idiosyncratic examples, they suggest that negative publicity may not always be a bad thing. Can negative publicity actually have a positive effect? And if so, when?

### The Role of Prior Product Awareness and Accessibility in Consumer's Minds

It makes intuitive sense that positive information influences product evaluation favorably and hence increases the success of a product. However, because negative information should generally decrease product evaluations—or at best, leave them unchanged—attitude changes alone cannot explain why negative publicity would ever increase product choice or sales.

Negative publicity may have positive effects, however, by increasing product awareness or accessibility. Regardless of valence, publicity (and potentially word-of-mouth) may have positive effects if it makes consumers more aware of a product or encourages it to be top of mind. Such effects have been observed in advertising research: advertising can affect preferences for various options given that they are considered, but it can also affect choice by changing which options consumers consider, independently of their preferences for those options.

Building on this analysis, the authors suggest that whether negative publicity has positive or negative effects will depend on existing product awareness and accessibility. If most consumers already know that *Mission Impossible 3* is about to come out on DVD, or if there is a lot of buzz about a new Stephen King book, the potential increase in awareness or accessibility generated by negative publicity will probably be negligible. Therefore, when awareness is already high, negative publicity is likely to harm sales or have no effect. In contrast, negative publicity may increase sales when product awareness or accessibility is low, because it increases awareness. If few people know about a book released by a new author, any publicity, regardless of valence, is likely to increase awareness. Box 1 shows how the effects were tested.

### Bad News is Good News for Unknown Products

As predicted, whether a book review resulted in increased or decreased sales depended on both the valence of the review and existing product awareness (see Table 1). Regardless of whether the book was written by a new or established author, being positively reviewed significantly increased sales. A positive review generated an increase of between 32 % and 52 % in demand.

» For books that have relatively lower awareness, both positive and negative publicity increased sales. «

{ Box 1 }

## STUDY 1: NEW YORK TIMES BOOK REVIEWS

Study 1 used weekly sales data to estimate the impact of New York Times book reviews on the sales of more than 200 hardcover fiction titles. The reviews themselves were scanned for opinionated sentences. The selected sentences were then systematically classified as positive or negative to distinguish the effects of good and bad publicity. The sales data were provided by Nielsen BookScan, a market research firm that tracks book sales using scanner data from an almost comprehensive panel of retail booksellers (coverage rate: 80 %).

In an econometric analysis, time-series variations in sales (for a given book) were calculated to identify the effect of published reviews. Essentially, we measured the spike in sales in the week immediately following the book review and observed whether the spike was different for positive and negative reviews. We also examined whether the effect of being reviewed varied based on product awareness prior to the review. To do so, we classified the authors of each book in one of three categories:

1. those who have published one or fewer books prior to the book in question,
2. those who have published between two and nine books prior to the book in question, and
3. those who have published 10 or more books prior to the book in question.

Variable	Estimates	SE
<b>Positive review</b>		
X (< 2 previous titles)	0.347***	0.103
X (2 – 9 previous titles)	0.277***	0.095
X (> 10 previous titles)	0.417**	0.179
<b>Negative review</b>		
X (< 2 previous titles)	0.372*	0.202
X (2 – 9 previous titles)	0.137	0.162
X (> 10 previous titles)	-0.145 <sup>^</sup>	0.098
Weeks since release	-0.051***	0.012
R <sup>2</sup>		0.182

<sup>^</sup>p<0.15 \*p<0.10 \*\*p<0.05 \*\*\*p<0.001

**TABLE 1:**  
The Impact of Reviews on Sales of Books for Authors with Varying Amounts of Prior Awareness

In contrast, estimates indicate that the effect of negative publicity depended on existing author awareness. For books by established authors, a negative review led to a 15 % decrease in sales. For books by relatively unknown (new) authors, however, negative publicity had the opposite effect, increasing sales by 45 %. Although positive and negative publicity had different effects on the sales of books by established authors, they had similar effects on books by new authors. For books that have relatively lower awareness, both positive and negative publicity increased sales.

**Publicity Valence and Effects Over Time**

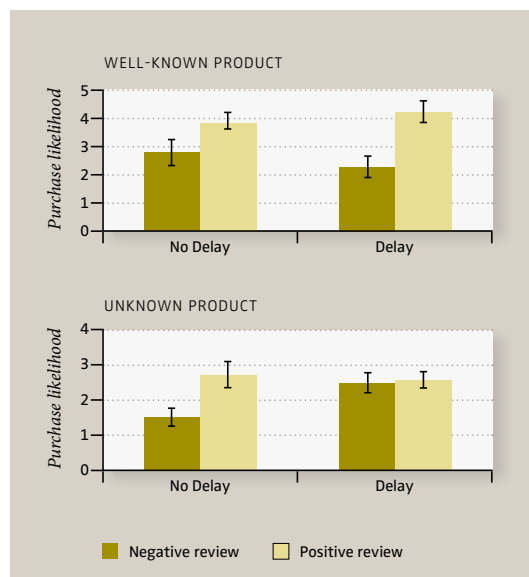
Based on the underlying theoretical framework, negative publicity should be even more likely to boost sales if more time has elapsed since people read the review. People may have a feeling of awareness, or remember they heard something about the product, but the valence may be forgotten over time, leading awareness and publicity valence to become dissociated in memory. Whereas familiar products have strong memory networks, unknown products have few existing cognitive structures, making it harder to incorporate and recall new information. Therefore publicity valence for unknown products is more likely to fade over time. The increased awareness level, however, remains and may result in even negative publicity increasing purchase rates. This “time effect” was tested and confirmed in two follow-up experiments (Box 2).

### Unknown Products Benefit from Reviews and Time Effects

Analysis of variance (ANOVA) revealed that effects on purchase likelihood depended on the nature of the review (positive versus negative), prior product awareness (well-known versus unknown) and when the purchase was measured (delay versus no delay) (Figure 1). Unsurprisingly, most people said they would be more likely to purchase John Grisham's new thriller than an unknown book. However, relative to not being reviewed, negative publicity decreased purchase likelihood of the well-known book but increased purchase likelihood of the unknown book. Positive reviews, on the other hand, had a similar effect on both types of books. No time effect was observed for well-known products. In contrast, for unknown products, a delay moderated the effect of review valence on purchase likelihood. The effect of a negative review for an unknown product became more positive after a delay, such that purchase likelihood after a delay was similar after a positive and negative review.

Compared to not being reviewed, publicity increased awareness of the unknown product but had no effect on awareness of the well-known product. Separate regression analyses for known and unknown books confirmed that purchase likelihood for the well-known product was driven by product attitudes, whereas for the unknown product, increased awareness played a more important role.

**FIGURE 1:**  
Effect of Review Valence,  
Product Awareness,  
and Time Delay on Purchase  
Likelihood (Experiment 1)



{ Box 2 }

### EXPERIMENTS TO TEST TIME EFFECTS

In the *first experiment*, we manipulated both the valence and target of a review. For valence, participants were asked to read two book reviews and answer linguistic questions (officially the main object of the study) related to the cover story. The second review was always the same, but we varied the first review so that it was sometimes positive and sometimes negative. We further varied product awareness by manipulating the target of the review. In the high-awareness condition, we selected an eagerly anticipated book (The Appeal) by a well-known author (John Grisham), which was enjoying a good deal of buzz on the web. In the low-awareness condition, we created a fictitious book with a similar-sounding name (The Report). Given that we generated it ourselves, it was unknown.

Pretests proved that the valence of the reviews and the awareness level were both perceived as intended. Finally, we varied the stage at which participants reported purchase likelihood. In the context of an ostensibly unrelated task, participants were given a list of four books, including the target book, and were asked to rate how likely they would be to purchase each book (1 = not at all likely, 7 = extremely likely). Half the participants completed the purchase likelihood measures right away, whereas the other half first completed a long series of filler tasks.

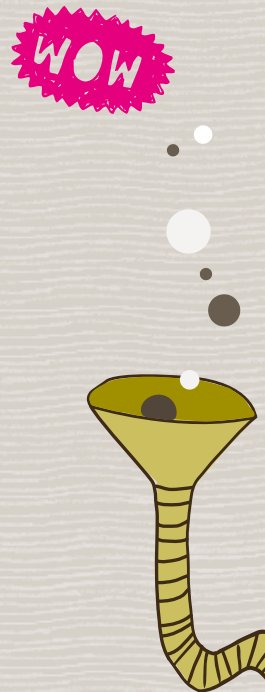
The set-up of the *second experiment* was similar but directly tested whether the positive effects of negative publicity are indeed driven by increased awareness. In addition, we measured product evaluations when the product was not reviewed to examine how positive and negative publicity shifts evaluation relative to not being reviewed at all.

## Conclusions

Regardless of whether participants reported purchase likelihood right away or after a delay, negative publicity had a negative effect on the purchase of well-known products. For unknown products, however, the effect of publicity valence dissipated over time: the effect of a negative review became more positive over time and regardless of whether the publicity was positive or negative, it increased product awareness, which, in turn, increased purchase likelihood. This is consistent with the notion that negative publicity increases sales by affecting the consideration set.

In summary, although companies and individuals often try to quiet negative publicity, our findings indicate that in some cases, it can actually have positive effects. Although producers of major motion pictures or highly anticipated books might want to attempt to deaden negative press, smaller producers might want to allow, or even fan the flames of negative publicity. This does not mean that all negative information will have a positive effect, and it is still important to understand consumer sentiment. However, not all negative publicity or word-of-mouth should be quieted. Consumers often attempt to discount direct advertising, but because negative publicity is not perceived as a direct product appeal, it may slip in under the radar and thus have a more pronounced effect. Similar effects may occur for negative word-of-mouth. In conclusion, although negative publicity is not always a good thing, in some cases, negative can actually be positive. •

» The effect of a negative review for an unknown product became more positive after a delay, such that purchase likelihood after a delay was similar after a positive and negative review. «



## SEX IN ADVERTISING ... ONLY ON MARS AND NOT ON VENUS?

*Darren W. Dahl, Kathleen D. Vohs and Jaideep Sengupta*

### THE AUTHORS

*Darren W. Dahl*, Sauder School of Business, University of British Columbia, Canada, [darren.dahl@sauder.ubc.ca](mailto:darren.dahl@sauder.ubc.ca)

*Kathleen D. Vohs*, Carlson School of Management, University of Minnesota, USA, [kvohs@umn.edu](mailto:kvohs@umn.edu)

*Jaideep Sengupta*, School of Business and Management, Hong Kong University of Science and Technology, Hong Kong, [mkjaisan@ust.hk](mailto:mkjaisan@ust.hk)

In an effort to cut through the tremendous clutter that exists in today's advertising space, marketers have resorted to increasingly radical tactics to capture consumer attention. One such popular tactic uses explicit sexual images in advertising, even when the sexual image has little relevance to the advertised product. For example, a recent print ad campaign for Toyo Tires showed a nude female model crouched on all fours with the tag-line "Tires that Fit You".

Although such gratuitous use of sex in advertising undoubtedly succeeds in capturing attention, one may question whether evaluative reactions are favorable among different segments of consumers. Prior research on spontaneous evaluations of sexually-themed ads showed that men's reactions to such ads were globally positive: they liked sex-based ads more than neutral ads. Women's reactions, however, were decidedly negative: they preferred neutral ads to sex-based ads. These findings indicate that for a large segment of consumers, the old marketing cliché "sex sells" may not hold.

Why do women react negatively to explicit sex in advertising? Furthermore, are there tactics that would reduce this adverse reaction? Answers to these questions are of practical value, and the research we report here addresses them both.

### **Men are from Mars, Women from Venus: Gender Differences With Respect to Sex**

Sexual psychology notes stark differences in men's and women's sexual beliefs and motivations. Specifically, this view argues that men tend to adopt a relatively recreational orientation towards sex, an approach that em-

phasizes physical gratification and views sex as an end in itself. In contrast, women tend to adopt a relationship-based orientation to sexuality, an approach that emphasizes the importance of intimacy and commitment in a sexual relationship.

The premise that women and men have different motives regarding sex receives theoretical backing from both evolutionary and socialization models of human behavior. Briefly, an evolutionary view of sexual motives is based on the model of differential parental investment, which argues that because human females must invest far greater resources (e.g., nine months of their lives and intense metabolic costs) to produce offspring than human males, women tend to be correspondingly more selective in their choice of sexual partners. Men, conversely, benefit reproductively by taking advantage of opportunities to engage in sexual intercourse with a large number of women, with little regard to long-term consequences. This account thus argues that evolution has produced an urge for casual, non-invested sex in men but an aversion to casual, non-invested sex in women. Socialization-based models see these tendencies reinforced throughout the socialization process of the individual.

Adding to this discussion, sexual economics theory marries the idea of gender differences in terms of sexual attitudes with social exchange theory. It argues that because women possess greater negotiating power than do men when it comes to sex, they are in a position to ask for additional resources to make the exchange equitable. These additional resources can take one of two broad forms: they can be pecuniary or, as the current analysis highlights, they can also be non-material in nature. Specifically (and consistent with the conclusion we derived earlier from the broader literature on sexual motivations), relationship commitment may be seen as a valuable resource offered by the man in the context of a sexual exchange.

### **Female Relationship Orientation and Effects on the Attitude to Sex Appeals**

All these theories explain why women tend to have a negative attitude towards the gratuitous use of sex in advertising. Sexual ads place sex outside of the context of a committed relationship and, in doing so, make salient the notion that sex is its own justification. Although this view is consistent with men's perspective on sex, it is misaligned with women's, therefore accounting for women's negative reactions. If this reasoning is correct,





{ Box 1 }

## EXPERIMENTAL SETTINGS TO TEST SEXY ADS

The ideas described in the preceding sections were tested in four experiments. In all studies, participants viewed an ad for a wristwatch containing either a graphic sexual image or a non-sexual image under constrained processing conditions – that is, the typical (low-involvement) manner in which consumers view ads. Regression analysis was applied to analyze the results.

Experiment 1 used the stimuli ads to examine the prediction that women's attitudes towards the sexual ad can be improved under conditions of a commitment frame by positioning the product as a gift from a man to a woman. Specifically, the sexual ad was altered to show a red ribbon on the watch and a statement was added that indicated the watch was positioned as a gift from a man to the special woman in his life (i.e. a gift sexual ad condition). Three other conditions were also tested: a non-gift sexual ad, a gift non-sexual ad, and a non-gift non-sexual ad.

Experiment 2 provided a more direct test of the underlying logic by manipulating the accessibility of relationship commitment and intimacy immediately prior to ad viewing. Specifically, this study used a priming technique to make salient either the notion of a loyal, committed romantic partner or a disloyal, uncommitted partner. The priming was executed by having participants read a short paragraph, which contained the priming manipulation, ostensibly to check for spelling mistakes. In the committed partner condition, participants read a paragraph describing a relationship between Mary and John in which John was described as a loyal, committed partner. The uncommitted partner paragraph described John as a disloyal, uncommitted partner. Finally, the control paragraph did not focus on a romantic relationship but instead described a student club run by John and Mary. After answering some distracter questions and receiving the cognitive load task, participants were exposed to the target ad (sexual or non-sexual ad) and filler ads and asked to evaluate them.

The final two experiments 3 and 4 examined how the specific nature of commitment (generalized versus directional) differentially influenced reactions to the sexually-themed ad. The priming manipulation switched genders between the giver and the receiver of relational resources. In the committed partner condition, the paragraph described a relationship where the woman was the loyal and committed partner, whereas the uncommitted partner paragraph described the woman as the disloyal partner.

it implies that women's unfavorable reactions can be alleviated if an ad depicts sex in a manner that is consistent with their underlying values. In particular, women's attitudes are likely to be boosted if the sexual image can be understood in the broader context of a committed relationship. Such an interpretation may be made possible either through the use of appropriate cues in the ad itself (e.g., if the advertised product is positioned as a signal of commitment), or, more subtly, by making thoughts of relationship commitment and intimacy accessible prior to ad viewing.

Therefore, cocooning a sexual image within the context of relationship commitment would help to improve women's attitudes towards such images. An argument based on sexual economics theory, however, would take this reasoning a step further. Because of its exchange-based conceptualization, sexual economics theory suggests that women will think sexual contact is most permissible when valued resources are offered by the man to the woman. Therefore, in an advertising context, an argument based on sexual economics theory would agree that women's attitudes towards explicit depictions of sex can be improved by making relationship commitment salient; it would further posit a directionality to the gesture. This directionality is in the form of relationship commitment as a resource that the man offers the woman. Accordingly, improvement in women's attitudes would not be seen if resource offerings were missing or reversed – for instance, if thoughts of a committed relationship come from the woman's side instead of the man's. Box 1 describes the experiments to test the ads.

### Experimental Evidence: Gift and Commitment Contexts Improve Women's Reactions to Sexy Ads

The results of experiment 1 showed that the sexual ad on its own – that is, without the gift positioning – produced a worse attitude than the non-sexual ad (replicating past results). However, women's attitudes towards the sexual ad improved when the advertised product was positioned as a gift from a man to a woman. Importantly, only in the context of a sex-based advertisement did the gift positioning have an impact on women's reactions, as the gift positioning on its own failed to produce a favorable reaction insofar as it did not influence attitudes toward the non-sexual ad. The results are consistent with theory and suggest one way in which women's dislike of explicitly sexual advertising may be alleviated (Figure 1).



The results of experiment 2 indicated that women's attitudes toward explicitly sexual advertising vary substantially depending on whether the depicted sexual behavior can be interpreted in light of a committed relationship. Priming female participants with the notion of a committed relationship partner improved their reactions toward an ad that featured a gratuitous sex appeal. Conversely, being primed with the idea of an uncommitted relationship partner worsened women's negative reactions to a sex-based ad. However, these priming effects were specific in that they were observed only for the sex-based ad and not for the non-sexual ad. The consequences of activating the idea of relationship commitment within women are not global but appear particularly tied to the concept of sex.

According to predictions, an improvement in attitudes will be seen only if relationship commitment is viewed as a resource transfer to a woman from a man. Indeed, findings from both studies 3 and 4 were supportive of the sexual exchange stance. Using priming manipulations similar to those utilized in the second experiment, more favorable attitudes were induced by a prime of a man proffering relationship commitment to a woman as compared to either a prime of a woman proffering relationship commitment to a man or a couple's shared expressions of commitment. It seems that simply heightening the accessibility of thoughts regarding romantic commitment does not yield an improvement in women's attitudes toward sexual advertising, but rather an improvement in attitudes is only seen when relationship commitment is viewed as a resource transfer from a man to a woman.

#### An Explicit Gift Giving Context Negatively Affected Men's Reactions

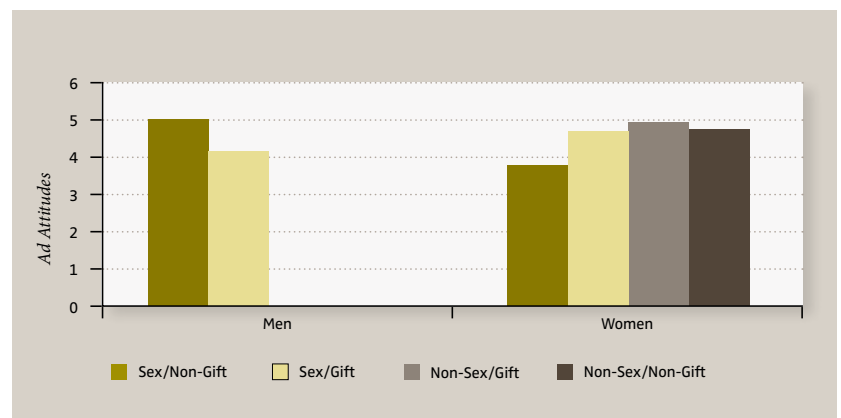
Alongside the focus on women's reactions, the results revealed intriguing insights into men's responses to sexual advertising. In support of the view that men value sex as a recreational activity and therefore do not need further rationalization for depictions of sexual behavior, the findings repeatedly demonstrated that heightening the accessibility of thoughts relating to relationship commitment did not influence men's (already favorable) attitudes towards the sexual ad, regardless of the directionality of such thoughts. However, one notable exception emerged. Despite their steadfast support for sex-based advertising, men reacted negatively to sexually-explicit ads when the ads strongly reminded men that they may, at times, de-

vote monetary resources in the pursuit of sexual contact. Experiment 1, in which this result was obtained, differed from the other studies in a qualitative manner in that it highlighted gift-giving from a man to a woman, which clearly indicates money spent.

#### Conclusions

In 1968, *Look* magazine reported that the "days of scantily clad models in advertising are numbered", but a glance at any and all manner of media today reveals that reports of its death were more than premature. Marketers and advertisers continue to use sexuality in advertising and promotion, and it is ubiquitous across product categories and markets even though women dislike it. The current research supports earlier research suggesting that explicit depictions of sex can be problematic, especially with regard to women's spontaneous reactions. However, it found that this aversion can be mitigated if the sexual imagery depicted in the ad could be interpreted in light of a relationship laden with devotion and commitment. Notably, women's attitudes towards sexual advertising are softened only insofar as the ad suggests that women are receiving valued resources (e.g., time, affection, commitment) from men, as opposed to the reverse or generalized ideas of romance or commitment. Therefore the appropriate use of positioning and relationship context can improve women's attitudes towards the ad and brand. Marketers should exercise caution when using sex to promote products if women are part of the target audience. This research provides guidelines to reduce potential downsides for women... but they need to be balanced against potential adverse effect on the male members of the audience! •

**FIGURE 1:**  
Ad Attitudes as a Function of Gift versus no Gift Positioning and Sexual versus Nonsexual Ad (Experiment 1)



{ Stan Sthanunathan }



#### ABOUT THE COCA-COLA COMPANY

The Coca-Cola Company is the owner and marketer of nonalcoholic beverage brands. It also manufactures, distributes and markets concentrates and syrups used to produce non-alcoholic beverages. The Company owns or licenses and markets more than 500 non-alcoholic beverage brands, primarily sparkling beverages but also a variety of still beverages, such as waters, enhanced waters, juices and juice drinks, ready-to-drink teas and coffees, and energy and sports drinks. It also manufactures, or authorizes bottling partners to manufacture, fountain syrups, which it sells to fountain retailers, such as restaurants and convenience stores, which use the fountain syrups to produce finished beverages for immediate consumption, or to fountain wholesalers or bottlers, which in turn sell and distribute the fountain syrups to fountain retailers. In addition, the Company manufactures certain finished beverages, such as juices and juice drinks and water products.

#### THE INTERVIEWER

The interview was conducted in December 2010 by Sunil Gupta, Edward W. Carter Professor of Business Administration, Harvard Business School, Boston, USA and member of the editorial board of MIR

#### ABOUT STAN STHANUNATHAN

Mr. Sthanunathan is currently global Vice President of Marketing Strategy & Insights of The Coca-Cola Company in Atlanta. Prior to taking on this role, he was Head of Knowledge & Insights for the Asia Group in Hong Kong.

Stan started his career with The Coca-Cola Company 15 years ago as Research Manager of the Middle East and North Africa Division based in London. Before joining Coca-Cola, he was, for five years, General Manager of TNS in their Middle East, North Africa office based in Dubai.

Stan's research career started in 1985 with Pathfinders:India, with whom he was associated for almost seven years, over which time he achieved the position of General Manager of the agency.

He earned his Bachelor Degree in Mechanical Engineering at the University of Mumbai and followed this with an MBA from India Institute of Management in Bangalore, India.



## MIR TALKS TO STAN STHANUNATHAN, VICE PRESIDENT OF MARKETING STRATEGY AND INSIGHTS, COCA-COLA COMPANY

*Interview by Sunil Gupta*

Coke has been successful for the past 125 years and has constantly increased its business. How did one of the most famous companies in the world master the recent economic downturn? How are they handling increasing health consciousness and other trends in consumers' lifestyles? Stan Sthanunathan answers these questions and describes how the Coca-Cola Company is facing the changing world of marketing.

**MIR:** *Stan, thank you for taking the time to talk to me. Let me start by asking you how the current economic environment has affected Coke. Do people view Coke as a discretionary item that they can avoid buying during tough economic times, or do they think of it as a small luxury to relieve stress in difficult times?*

**STAN STHANUNATHAN:** I believe that everyone looks for small moments of happiness. And items that can provide that happiness, but which are expensive in nature, are the ones that usually get knocked out of the portfolio of things that people buy. As you said, Coke is an affordable luxury, and it is therefore relatively more recession-proof than a lot of other brands. The need for happiness is always there and the brand fits in perfectly.

**MIR:** *So you have not seen any significant dip in your sales or revenues as a result of the economic downturn?*

**STAN STHANUNATHAN:** In certain pockets, yes. But is Coke in the kind of category that would be cut like an IT budget? No! You don't see that kind of dramatic impact, but you do feel certain effects. What we have seen is a change in pack mix more than anything else.

**MIR:** *In what way?*

**STAN STHANUNATHAN:** When people stay at home, they still want to enjoy good entertainment. They might dial for a pizza, or they might cook meals at home, but they still need something to go with it. So, instead of going to a restaurant and ordering a medium-priced or an expensive meal and ordering a drink with it, they have the meal at home, and they still need the drink. Therefore, they tend to buy multi-serve packs and multi-packs.

**MIR:** *Some companies, such as Procter & Gamble, introduced "basic versions" at cheaper prices to manage their brands during this tough economic environment. Has Coke done anything like this?*

**STAN STHANUNATHAN:** No, we haven't done that. There is one version of Coke. If you go back to what Andy Warhol said many years back, it is a great equalizer—John Kennedy had it, Marilyn Monroe had it, the man on the street has it, and a Coke is a Coke is a Coke.

**MIR:** *The other environmental force that may have had some impact on Coke is the increasing health consciousness among consumers. For example, some schools in the US are banning soda drinks in school vending machines. What has been Coke's reaction to this?*

**STAN STHANUNATHAN:** Our stated policy is very clear. First, we are in the business of providing choice to consumers, and it is the choice of a whole range of beverages. They choose the beverage that suits their needs and lifestyle the best. Second, health and wellness are not a one-dimensional problem. There is an input and an output issue. And if you don't manage both ends, you end up taking one side or the other, which is not a solution to the problem.

**MIR:** *Indra Nooyi at Pepsi is making a very strong claim about the health focus of Pepsi. Is that something that Coke also aspires to do, or do you see it very differently?*

**STAN STHANUNATHAN:** As I said, people do need beverages from which they seek functional benefits. But they're also looking for emotional benefits from the products they buy. So you've got to have a balanced portfolio which offers everything that consumers look for.

**MIR:** *So you are a free market person who believes in providing choices and letting consumers make the decision?*

**STAN STHANUNATHAN:** How can we make decisions for them? Consumers have their own set of circumstances, and they need to make that choice based on what they think is best for that particular occasion. The same person might have one beverage for one occasion and a completely different beverage for another occasion. Our job is to ensure that we make the best possible beverage that they can choose for that particular occasion, based on their needs. Let them make the decision.

**MIR:** *You said earlier that a Coke is a Coke, and that has been the case for 125 years. What have been the major innovations at Coke?*

**STAN STHANUNATHAN:** Go back 10 years, when we probably had four billion-dollar brands. Today, we have 14 billion-dollar brands. That doesn't happen by accident; it happens because there is a lot of emphasis on innovation. I'll give you examples of brands that have become a really big force in various markets. For example, in China we have a brand called Minute Maid Pulpy. If you taste that product you will say that it tastes very good, because it's an orange juice with orange pulp in it. It's a juice drink, though, not 100% juice. So it is extremely affordable. It's got all the nutritional value of a glass of orange juice. It's got a mouth feel that is like a freshly squeezed orange juice with pulp. And it tastes great. But how do you make that without the pulp settling down and how do you homogenize it? That's a massive innovation. Coke Zero is another big innovation. It's the same Coke taste, with zero calories, and that's a breakthrough in sweeteners.

**MIR:** *Let's move on to marketing, which is certainly one of Coke's main strengths. How has marketing at Coke changed in the last four or five years?*

**STAN STHANUNATHAN:** Again, the change is driven by how consumers spend their time. Once upon a time, it used to be one brand identity and one brand communication on a global basis. In the late 1990s and early 2000s, it became a little bit of a local/local free-for-all kind of thing. Those were the days when the brand lost momentum. But in the last four years, you'll see that we have had a consistent brand visual

» What the brand is saying is very consistent, but it is done in a locally relevant way and it's all about happiness. «

identity. Even during the days of local/local, we didn't change our graphics, and we didn't change our logo. We remained consistent even during that period. And now the brand looks even more similar across all the markets. We have standardized our brand vision and architecture, providing freedom within a framework. So if you go from one market to another, what the brand is saying is very consistent, but it is done in a locally relevant way and it's all about happiness.

The other dimension of change is how we actually connect with consumers. We are in a category of products that are consumed on a daily basis. So we're going to be talking to consumers on a daily basis. And the whole model of putting up 60-second television commercials, and hoping that people remember you as they go and buy the brand, is actually becoming less and less relevant. Therefore, while we do spend a fair amount of money on television advertising, we've also started doing a lot of work in the digital area and, more importantly, the whole area of shopper marketing.

**MIR:** *What specific things have you done in digital marketing?*

**STAN STHANUNATHAN:** Let's take mycokerewards.com in USA. I don't recall the exact numbers, but I think there are close to 15 million people registered on that website. These are people who engage with us on a regular basis. That's one way in which we reinforce the love that they have for the brand. And the Facebook fan page of Coca-Cola, again, has close to 22 million people. If you go to the Coca-Cola fan page on Facebook and you see the kind of stuff that people post, it is incredible. I mean, these are not employees of the company; they are consumers.

Just yesterday I was looking at a photograph posted by one consumer. He has furnished his entire bedroom with Coke memorabilia, including his bed sheets and pillow covers. Now, that's the level of engagement and passion that people have. If that is not love, what is?

**MIR:** *So you basically provide the platform for consumers to engage with each other?*

**STAN STHANUNATHAN:** No, the platform was not even created by us. It was created by two Hollywood actors. So that's probably the ultimate form of engagement, that's the power of brand because you don't even need to create a fan page. Somebody else will create it for you. We actively participate in that fan page as a brand. We post updates, links and engage in dialog with fans. However, the fan page is of the people, by the people, for the people. Let them do it. And there are occasions when they say nasty things about us, but you've got to be magnanimous enough to listen to that and not get upset. And if it is something that needs to be done, you do it, but don't become defensive.

**MIR:** *Help me understand—why would I want to become a fan of Coke on Facebook?*

**STAN STHANUNATHAN:** You would want to become a fan of Coke on Facebook because you love the brand, and you want to find out how other fans are expressing their love. You go and see the number of photographs posted. Probably that's in the millions. And there are people who take videos of consumption occasions, and there are even people who have made massive artworks that they've posted on Facebook. And you are learning from each of them, finding out how passionate people are.

**MIR:** *You have millions of Coke consumers, and although 22 million Facebook fans sounds like a big number, is it really the tail of the distribution? Are these your typical customers?*

**STAN STHANUNATHAN:** No, I wouldn't ever say that they are representative of our average consumers. We have billions of consumers and we have one billion servings a day. So if you have 22 million Facebook fans, that's not a big proportion of the total consumer base. We work from a relative perspective. How many other brands have 22 million fans, without offering a financial incentive for them to become fans?

**MIR:** *So what do you learn from those 22 million fans?*

**STAN STHANUNATHAN:** We monitor the conversation on an ongoing basis, to see in what dimensions people talk about the brand. We want the number of fans to become bigger, and we want the others who are

not such active fans to become like the active fans. Therefore it's important to understand what makes these fans tick. So to us it is also a source of insight.

**MIR:** *Are all your Facebook fans in love with your brand or do you have an equal number of people who are looking for coupons and other rewards?*

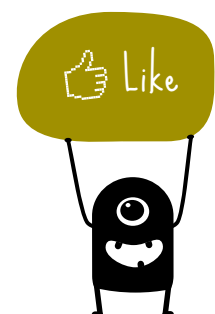
**STAN STHANUNATHAN:** I think there are both types of people. You can't stop that. There are some people who are deal hunters. They come and join us because of the deal, and they get good deals. So be it—what can you do?

**MIR:** *But you think the majority are the passionate kind, not the deal kind?*

**STAN STHANUNATHAN:** I don't have an exact answer to that. I don't know how many of them would be the passionate kind, and how many of them would be the deal seeker, because in mycokerewards.com, it is very difficult to sort the two.

**MIR:** *In my experience, senior executives initially get excited about building this kind of a social platform. But very soon, the conversation turns to hard questions and skepticism where people start asking, what does it get me? How much money should I spend on engaging customers and getting Facebook fans? What's the ROI? How do you convince senior management to spend millions of dollars in building a Facebook fan page or mycokerewards.com?*

» How many other brands have 22 million fans [on Facebook], without offering a financial incentive for them to become fans? «



**STAN STHANUNATHAN:** I would answer it very differently. If you have a big idea, then your starting point should not be that you want to build a fan page for Coca-Cola. If that's your starting point, it's probably the wrong one. I can tell you right away that it'll be a poor ROI. Take the recent Old Spice social media campaign as an example — that's a really big idea. And I'm absolutely sure that they had a phenomenal ROI on it.

You can't create a fan page and simply ask your consumers to become your fans. What's the reason? Why should they become fans? Do you have a strong brand to begin with? Do you have a great idea? Do you have an engaging web page? Do you have a message that is relevant to people? And I think Old Spice is probably one of the best examples of a brand that had lost its way, and was not strong. They used social media to make it come alive, because they had a big idea. That requires really good, solid marketing genius.

We produced a YouTube video called the happiness machine ([http://www.youtube.com/watch?v=lqT\\_dPApj9U](http://www.youtube.com/watch?v=lqT_dPApj9U)). The video set the place on fire and has over 3 million views. How much did it cost us? Far less than a 20-second spot on television. But then, it was not just the production of a video. It was a much broader idea. We had a complete, integrated activation plan. So it feeds on itself.

**MIR:** *Once you have this idea, how do you make it go viral?*

» You can't create a fan page and simply ask your consumers to become your fans. «



**STAN STHANUNATHAN:** There are billions of videos on YouTube, and that's where your integrated activation is very crucial. If you just put it on YouTube, then you're leaving it to chance. You have to activate it across multiple touch points. I don't know whether you've seen the Old Spice case study that P&G goes around presenting. I look at it and say, wow, this is brilliant because it actually started as a television idea. Then they took it over through a genuine integrated marketing communication plan. Unless and until you do that it is not going to go viral. It may go viral on its own once in a blue moon, but that is more down to luck.

**MIR:** *So if you were to give a blueprint on how to make this happen, what would you recommend?*

**STAN STHANUNATHAN:** That's like asking for the secret formula. The best way to make that happen, Sunil, is to look at how a typical person spends his or her day. How can you touch this person at different moments during the day, so that you increase the probability of getting noticed in a platform where there can be some mode of interactivity. That will drive the initial launch. If we just put it out there in one touch point and leave it, it will die. Even if we do a massive Super Bowl television commercial, it's not going to get massive traction.

**MIR:** *Talking about Super Bowl, you have done some wonderful things with the Beijing Olympics and the South Africa World Cup. Can you tell us how that came about, and what was your experience with these events?*

**STAN STHANUNATHAN:** Both of them have been enormously successful events for us. Again, there are two or three things that we keep in mind. One, we leverage the scale of the Coca-Cola company because we operate in more countries than most companies in this world. In fact we are present in more countries than there are members of the United Nations. Two, we create a totally integrated communication program. Three, we have an advantage which a lot of other sponsors of these events might not have: the user experience in sponsoring such events. With the Olympics we go back more than 75 years now, and an equally long time with FIFA. So we understand those events and consumer passion surrounding those events. And we do it willingly, efficiently, and effectively, year after year.

**MIR:** *But it seems like you raised the bar with the South Africa World Cup and the K'Naan song.*

**STAN STHANUNATHAN:** Absolutely. And this doesn't happen by accident. Six or seven years ago we started work on the South Africa World Cup, to try and understand the insight that we should be leveraging. First you identify the core insight that you will be leveraging, then your whole idea is built around it, and then you take it forward from there. But if you wake up a year before the World Cup, then it won't work.

**MIR:** *Let's move from branding and engaging customers to market intelligence. How has market intelligence changed in the last few years?*

**STAN STHANUNATHAN:** I have a slightly controversial point of view on market intelligence and insight. I think the research business as we know it today will become very, very different in the next ten years. The days of asking questions and getting answers are going to become a thing of the past. If I came and told you that I wanted to administer a two-hour-long questionnaire or a one-hour-long questionnaire, how would you react?

**MIR:** *I wouldn't be very happy.*

**STAN STHANUNATHAN:** Exactly. That's how a lot of people feel. And although that group of people is probably not a majority today, they will be tomorrow. Then it becomes very difficult. Therefore, innovation in the way we go about collecting insight will become extremely important. If you don't think creatively, you could easily land up in a situation where you find that you can't get any insights.

**MIR:** *So what will replace the surveys and the questionnaires?*

**STAN STHANUNATHAN:** There are lots of new things that are out there on the horizon. Active listening, for example. That's where we've been putting a fair amount of money.

**MIR:** *But if you actively listen to your Facebook fans, are you concerned that they are not representative of your typical consumer?*

**STAN STHANUNATHAN:** They're not representative. But there are lots of people who are online and not on our fan page. They are also talking. And we've got people who are talking without being prompted to talk, without being led by suggestive questions or rhetoric questions. So understanding them can actually play a major role in obtaining some core insights.

**MIR:** *Once you start active listening, does it change the way in which you collect and analyze data?*

**STAN STHANUNATHAN:** Absolutely. While I am a mechanical engineer, and I have a very quantitative bent of mind, I also believe that using the past to predict the future is what losers do. The winners would dream up a future, and take you there.

**MIR:** *That's an interesting thought. So we should not be doing market research at all.*

**STAN STHANUNATHAN:** No, you should be doing a different kind of research. You should not be doing research to analyze the past. But

» The research business as we know it today will become very, very different in the next ten years. The days of asking questions and getting answers are going to become a thing of the past. «

you can learn from the past because you don't want to make the same mistakes multiple times. To the extent that you want to understand what went wrong and what went right, analyze the past. I'm increasingly not using the word "insights" internally. I use words like inspiration and provocation a lot more. That's what I see as my role. If I can't inspire people to elevate their thinking, I've not done my job. If I can't provoke them to take some positions that they would never have taken otherwise, I've failed.

**MIR:** *So does this mean that the kind of reports you get, and the kind of analysis you conduct, are very different from what you did seven or eight years ago?*

**STAN STHANUNATHAN:** Absolutely. We do things periodically to understand if we have actually moved the needle on that dimension. And if you look at our presentations today and compared them with how they used to look four years ago, there are many differences. They are a lot more visual, a lot more storytelling in nature. Be on the edge, don't be afraid. Lean as much as you can, and if you lean forward too far then I'll pull you back...but don't stop leaning.

» People need to have an ability to strike the right balance between art and science, gut feeling and fact, points of view and conclusive evidence. «



**MIR:** *Is experimentation a big part of what you do now?*

**STAN STHANUNATHAN:** A significant part, I would say. Not the majority. We are experimenting with a lot of new things.

**MIR:** *More than before?*

**STAN STHANUNATHAN:** Oh, much more than before. I have done more experimentation in 2010 than in the seven years before.

**MIR:** *And why is that?*

**STAN STHANUNATHAN:** We continue to explore new avenues for research and analysis and in some cases are employing as yet unproven techniques. But we believe this is how we will push the envelope to find insights that are even more dynamic and useful than what we know works today.

**MIR:** *So if you look at the changing landscape in terms of how marketing is changing, how market intelligence or what you call inspiration and provocation is changing, what are the skills needed for the people who'll succeed in the marketing world tomorrow?*

**STAN STHANUNATHAN:** I think people need to have an ability to strike the right balance between art and science, gut feeling and fact, points of view and conclusive evidence. You might be the best in class in one area, and you do need those kinds of people, but they will become super specialists. But if you want to become a broader marketing person, you need the right blend.

**MIR:** *Do you hire differently or train differently as a result of this?*

**STAN STHANUNATHAN:** Not everybody, because I do also need experts. When I say that you shouldn't pretend that the past can predict the future, I do have somebody who does that in my team. So I hire people who can make sound predictions for the future based on the past, but I also hire people who sit and dream.

**MIR:** *Stan, thank you very much. I appreciate that you were able to spend some time with me to share your thoughts. Best wishes for the future. •*



{Deutsche Zusammenfassung}

## Weniger ist Mehr: DIE OPTIMALE SORTIMENTSGRÖSSE AUS KONSUMENTENSICHT

Alexander Chernev

Sowohl Produzenten als auch Händler sind bestrebt, ihre Sortimente möglichst optimal zu gestalten. Hersteller suchen nach der optimalen Breite eines Markendaches und Händler interessiert im Category Management die optimale Category-Breite und -Tiefe. Ein großes Sortiment bietet Konsumenten viele Wahlmöglichkeiten und wird – zumindest auf den ersten Blick – als attraktiver wahrgenommen. Deshalb werden in praxi innerhalb von definierten Kostenrahmen häufig möglichst viele Produkte angeboten. Man will sicher stellen, dass sich zumindest eine Variante im Angebot befindet, die den Idealvorstellungen des einzelnen Konsumenten so nahe kommt, dass sie dann auch tatsächlich gewählt wird.

Ein breites Angebotsspektrum kann aber dazu führen, dass Konsumenten von der Angebotsvielfalt („information-overload“) oder der schwierigeren Entscheidungsfindung („choice-overload“) überfordert sind und im Endeffekt gar nichts kaufen.

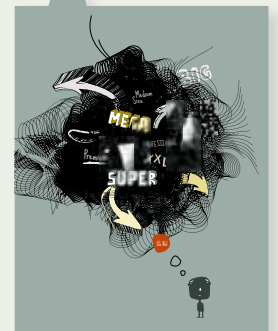
Der Autor hat in einer Reihe von Experimenten die Thematik näher untersucht und insbesondere überprüft, wovon solche Effekte abhängig sind. Es zeigt sich, dass die Präferenzen von Konsumenten in Bezug auf die Sortimentsgröße in der Tat paradox ausfallen. Wenn es um die Entscheidung zwischen unterschiedlichen Sortimenten geht (z. B. bei der Auswahl von Händlern), wird eine größere Produktpalette bevorzugt. Wenn aber innerhalb einer Kategorie ein einzelnes Produkt ausgewählt werden muss, präferieren vor allem Konsumenten mit weniger klaren Nutzensvorstellungen eine kleinere Auswahl.

### Die wichtigsten Ergebnisse im Überblick

- > Obwohl Konsumenten vordergründig viele Vorteile in großen Sortimenten sehen, ist Weniger letztendlich mehr. „Information-“ und „Choice-Overload“ führen bei großen Categories zur Präferenz kleinerer Sortimente. Andererseits wünschen sie bei der Vorauswahl der Categories eine große Auswahl. Um dieses Dilemma zu lösen, sollte man deshalb die Konsumenten bereits bei der Auswahl von Sortimenten auf die nachfolgende Aufgabe, sich für ein bestimmtes Produkt entscheiden zu müssen, aufmerksam machen. Mit der Aussicht auf einfachere und schnellere Kaufentscheidungen kann man auch kleinere Sortimente schmackhaft machen.
- > Insbesondere wenn Konsumenten ihre Entscheidung begründen sollen (etwa bei höherwertigen oder komplexen Gütern mit vielen unterschiedlichen Eigenschaften), wird eine limitierte Auswahl bevorzugt. Denn dann wird der „Beweis“ für die optimale Einkaufsentscheidung schwierig. Handelt es sich dagegen um limitierte oder sogar habitualisierte Einkäufe, spielt die Sortimentsbreite dagegen kaum eine Rolle, ist die Entscheidung hierbei doch schon mehr oder minder vorprogrammiert.
- > Weiterhin spielt das wahrgenommene Qualitätsniveau der Category eine Rolle. Wenn es hoch ausfällt, wie das bei ausgereiften Produktkategorien der Fall ist, werden kleinere Sortimente bevorzugt. Dasselbe gilt auch für die unter dem Dach einer Marke verfügbaren Varianten. Line Extensions sollten deshalb immer mit der zunehmenden Unübersichtlichkeit und Komplexität der Marken-Range aus Konsumentensicht abgewogen werden. •

Den ausführlichen Artikel  
in englischer Sprache finden  
Sie auf Seite ...

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### Schlüsselbegriffe:

Sortimentsgestaltung, Category Management, Entscheidungsverhalten, Produktauswahl, Konsumentenverhalten

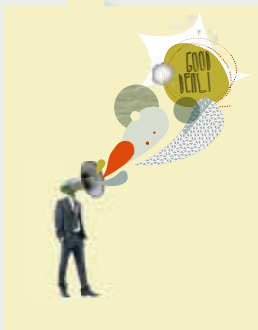
{Deutsche Zusammenfassung}

## SOZIALE NETZWERKE UND IHR EINFLUSS AUF DIE AKZEPTANZ NEUER PRODUKTE

Raghuram Iyengar, Christophe Van den Bulte, John Eichert, Bruce West und Thomas W. Valente

Den ausführlichen Artikel in englischer Sprache finden Sie auf Seite ...

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Referenzmarketing bzw. gezielte Mundpropaganda (Word-of-Mouth-Marketing) sind in aller Munde und werden auch bei der Vermarktung neuer Produkte immer wieder eingesetzt. Folgende Voraussetzungen gelten als notwendige Bedingungen für einen erfolgreichen Einsatz:

1. Es gibt soziale Netzwerke, in denen Meinungsbildungsprozesse ablaufen.
2. In diesen Netzwerken gibt es unterschiedlich einflussreiche Meinungsbildner und
3. Meinungsführer sind identifizierbar.

Auch wenn diese Voraussetzungen vorzuliegen scheinen, funktionieren bei Weitem nicht alle Aktionen, die auf gesteuerte Mundpropaganda setzen. Eine der wichtigsten Herausforderungen bei der Planung von Referenzmarketingaktivitäten ist die korrekte Identifikation von Meinungsbildnern. Auch die Art und Weise, wie Beeinflussungsprozesse ablaufen, ist relevant und nicht immer einfach zu erheben.

In der vorliegenden Fallstudie wurden gemeinsam mit einem Pharmaunternehmen Netzwerkeffekte bei der Einführung eines neuen Medikaments erhoben. Es standen einerseits Befragungsdaten über das Referenzverhalten der Ärzte in drei US-Metropolregionen und andererseits Paneldaten zum tatsächlichen Verschreibungsverhalten vor. Insofern konnte die Durchschlagskraft der berichteten Referenzen empirisch überprüft werden.

Die in der Fallstudie gewonnenen Erkenntnisse zur Wirkungsweise von sozialem Einfluss sind relevant für alle Produktgruppen, die mit einem gewissen Nutzungsrisiko verbunden sind, also eher innovative, teure oder selten gekaufte Produkte, die für die Identität des Käufers Bedeutung haben.

### Schlüsselbegriffe:

Referenzmarketing, Mundpropaganda, Soziale Netzwerke, Meinungsführerschaft, Produktinnovationen, Word-of-Mouth-Marketing

### Die wichtigsten Ergebnisse im Überblick

#### > Mundpropaganda wirkt

Es zeigte sich, dass Mundpropaganda zwischen den Ärzten tatsächlich für die Verschreibungspraxis des neuen Produktes eine wichtige Rolle spielte und diese unabhängig von anderen Marketingaktivitäten funktionierte.

#### > Meinungsführer werden am besten über soziometrische Methoden identifiziert

Während es nicht unüblich ist, dass für das Referenzmarketing in Frage kommende Personen selbst das Ausmaß ihrer Meinungsführerschaft beurteilen, bewerten bei soziometrischen Techniken andere Mitglieder der sozialen Gruppe das Ausmaß der Meinungsführerschaft einzelner Kontaktpersonen. Die Studie zeigt, dass beide Zugänge zu unterschiedlichen Ergebnissen führen. Die Eigenbeurteilung scheint eher Selbstbewusstsein zu messen. Soziometrische Messgrößen liefern ein gültigeres Ergebnis für den tatsächlichen Referenzwert.

#### > Die grafische Darstellung des Netzwerks liefert zusätzliche Erkenntnisse

Durch Soziometrie, d.h. die grafische Darstellung der Informationsflüsse (siehe Abb. 2 auf S. 22), können Untergruppen innerhalb des Netzwerks erkannt und Verbindungen zwischen den Gruppen entsprechend genützt werden. Dadurch lässt sich das Marktpotential für neue Produkte schneller erschließen.

#### > Zentrale Meinungsbildner sind wichtiger

Es macht Sinn, sich bei der Kampagne auf zentrale Meinungsbildner zu konzentrieren, da deren Einfluss überproportional ist. Sie erreichen einen größeren Personenkreis. Häufig haben Meinungsbildner auch früher als andere das neue Produkt angenommen und intensiver verwendet. Deshalb startet ihr Einfluss auf andere potenzielle Nutzer schon früher als bei anderen Mitgliedern des Netzwerks und wirkt insofern doppelt.

{Deutsche Zusammenfassung}

## WENN DIE TREUESTEN KUNDEN ZU ÄRGSTEN FEINDEN WERDEN. WAS ÄNDERT SICH IM ZEITVERLAUF?

Yany Grégoire, Thomas M. Tripp und Renaud Legoux

Immer mehr Kunden nutzen die zahlreichen Möglichkeiten, ihrem Ärger über negative Kundenerlebnisse online Luft zu machen und sich über die jeweiligen Firmen zu beschweren. Art und Intensität der Beschwerden variieren stark, können aber durch die schnellen Verbreitungsmöglichkeiten in der Online-Welt innerhalb kürzester Zeit zu gewaltigen Imageschäden für Unternehmen oder Marken führen.

Vor allem Kunden, die „Opfer“ von mehreren Servicefehlern in Folge sind (z. B. wenn Beschwerden in einer als unfair empfundenen Weise abgetan, ignoriert oder mangelhaft gelöst werden), entscheiden sich gerne für öffentliche online Reklamationen. Ihr Ziel ist es, sich bei den Verursachern möglichst empfindlich zu rächen. Neben dem Bedürfnis nach Rache haben viele enttäuschte Kunden aber auch das weniger weit reichende Bedürfnis, den Verursacher in Zukunft einfach zu meiden. Die Studien in diesem Beitrag analysieren, unter welchen Bedingungen eher mit Rache oder Vermeidung zu rechnen ist und wie Unternehmen am besten darauf reagieren können.

Die Autoren unternahmen dafür eine Mehr-Wellen-Umfrage bei Beschwerdeführern auf bekannten Beschwerde-Websites, die in den USA bereits große Bedeutung besitzen. Sie baten dort eine Stichprobe von Beschwerdeführern um Beantwortung von Fragen zum Verlauf der Beschwerde, konzentrierten sich auf solche, die vom betroffenen Anbieter nicht hinreichend geregelt worden waren („double deviation“) und erfragten die daraus resultierende Einstellung der Beschwerdeführer zum betreffenden Unternehmen. Nach jeweils zwei Wochen wurde die Befragung wiederholt, um zu erkennen, wie sich der Unmut entwickelt und auswirkt.

### Schlüsselbegriffe:

Beziehungsmarketing, Beschwerdemanagement, Online Beschwerden, Kundenservice, Servicefehler, Wiedergutmachung

### Die wichtigsten Ergebnisse im Überblick

- > Zunächst sitzt der Groll von solchen unbefriedigten Online Beschwerdeführern tief. Die Zeit heilt derartige Wunden nur sehr eingeschränkt. Gekränkte Kunden haben das Bedürfnis ihre Verbindungen mit dem Verursacher zu brechen und bleiben auch bei dieser Absicht. Es scheint kaum möglich, solche Kunden wieder zurückzugewinnen, auch wenn ihr Rachebedürfnis im Laufe der Zeit stark abnimmt. Um die permanente Abwanderung von enttäuschten Kunden zu verhindern, lohnen sich Investitionen in die Vermeidung von wiederholten Fehlern nach der ersten Beschwerde. Entsprechende Routinen sollten so gestaltet werden, dass Kunden sie als fair empfinden. Darüber hinaus sollten sie rasch und verlässlich umsetzbar sein.
- > Bemerkenswert ist weiterhin, dass die treuesten Kunden am empfindlichsten reagieren. Ihr Rachebedürfnis hält länger an und ihre Aversion gegen den Anbieter entwickelt sich schneller. Da sich „beste Kunden“ besonders gekränkt fühlen, wenn sie unfair behandelt werden, hat eine intensive Kundenbeziehung in einem nicht gut geregelten Beschwerdefall erst recht negative Folgen. Statt der viel zitierten positiven Effekte hoher Kundenbindung, geht der Schuss dann quasi nach hinten los. Es gibt aber auch eine gute Nachricht: Im Gegensatz zu weniger treuen Käufern, kann bei den besten Kunden auch eine kleine Wiedergutmachung die negativen Gefühle mildern, wenn nicht sogar aus der Welt schaffen. Während es Beschwerdeführern mit einer weniger starken Bindung eher auf finanzielle Kompensationen ankommt, reicht bei stark gebundenen Kunden oft eine Entschuldigung, weil Fehlverhalten als persönliche Beleidigung empfunden wurde.
- > Positive Effekte zeigen sich nur, wenn die erwarteten Lösungen in einer frühen Phase des Beschwerdeprozesses kommen. Vor allem finanzielle Kompensationen, die erst nach wiederholten Fehlern angeboten werden, rechnen sich überhaupt nicht.

Den ausführlichen Artikel  
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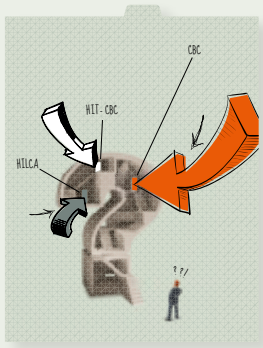
{Deutsche Zusammenfassung}

## Präferenzen messen mittels Conjoint Analyse STATE-OF-THE-ART-TECHNIKEN UND NEUE ENTWICKLUNGEN

Felix Eggers und Henrik Sattler

Den ausführlichen Artikel  
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Die klassische Form der Conjoint-Analyse wird bereits seit den 1970er Jahren in der Präferenzforschung eingesetzt. Neue Anwendungsbereiche, steigende Anforderungen an die Ergebnisqualität und neue technische sowie rechnerische Möglichkeiten führen aber zu einer stetigen Weiterentwicklung und Verfeinerung der Methode. Deshalb ist es nicht einfach, in der Fülle der zur Verfügung stehenden Varianten die für die jeweilige Fragestellung beste Erhebungsform zu finden.

Die Wahl der optimalen Methode hängt unter anderem von der Art und Anzahl der Attribute und ihrer Ausprägungen und von der Art und Weise ab, wie die Auswahl der in der Erhebung zu beurteilenden Varianten erfolgt. Diesbezügliche Entscheidungen haben Auswirkungen auf die Anwendbarkeit statistischer Verfahren und wirken sich letztendlich maßgeblich auf die Qualität und Gültigkeit der Ergebnisse aus. Die Ergebnisse zahlreicher Untersuchungen erlauben Rückschlüsse darauf, welche Methode in welcher Situation die besten Ergebnisse liefert.

Trotz aller Neuentwicklungen im Bereich der Conjoint-Analyse besteht weiterhin hoher Forschungsbedarf, und die Möglichkeiten im Rahmen dieser Methode sind noch bei Weitem nicht ausgeschöpft.

### Die wichtigsten Erkenntnisse im Überblick

- > *Choice-based-Conjoint (CBC)* eignet sich am besten für Fragestellungen mit wenigen (bis zu sechs) Attributen und Ausprägungen (bis zu sieben). Hier geben die Probanden keine Wertungen auf Ratingskalen ab, sondern wählen wie in realen Kaufentscheidungen die für sie besten Alternativen aus.
- > *Hybrid Individualized Two-Level Choice-Based Conjoint (HIT-CBC)* kombiniert kompositionelle und dekompositionelle Elemente der Präferenzmessung auf individueller Ebene. Sie ist die bessere Wahl bei Anwendungen mit mehr als sieben Attributen und einer schwankenden Anzahl von Ausprägungen.
- > *Hierarchical Individualized Limit Conjoint Analysis (HILCA)* mit der Möglichkeit, gar keine Alternative zu wählen oder *Adaptive Choice-Based Conjoint (ACBC)* mit individuell angepassten Merkmalen und Merkmalsattributen überzeugen ebenfalls dann, wenn viele Attribute Teil der Untersuchung sind. Bei diesen beiden Methoden sollte die Anzahl der Ausprägungen pro Attribut aber eher ausgewogen sein.
- > Bei Anwendungen im Bereich der Preisforschung ist es nur selten sinnvoll, eine Präferenzwahl in jeder Situation zu erzwingen. Stattdessen wird eine „no choice-option“ vorgesehen. Diese Option ist bei den klassischen Formen nicht und bei HILCA und ACBC indirekt möglich.
- > Zur segmentspezifischen Auswertung der Daten werden immer häufiger *Hierarchical Bayes-Modelle* oder die *Latent Class-Analyse (Finite Mixture-Modelle)* angewendet.

#### Schlüsselbegriffe:

Kaufverhalten, Präferenzmessung, Conjoint-Analyse, CBC, ACA, HILCA, ACBC, HIT-CBC

{Deutsche Zusammenfassung}

## Alltagsweisheiten auf dem Prüfstand „BAD NEWS IS GOOD NEWS“ UND „SEX SELLS“

Jonah Berger, Alan T. Sorensen and Scott J. Rasmussen  
Darren W. Dahl, Kathleen D. Vohs and Jaideep Sengupta

„Jede Publicity ist gute Publicity“, meinen viele PR-Verantwortliche, auch wenn diese These in vielen Studien widerlegt wurde und z. B. Filme, denen negative Kritiken vorausgehen, deutlich geringere Einspielergebnisse erzielen. Ähnlich gelagert ist der Fall bei Werbebotschaften, die auf Erotik setzen. Generell gilt die Annahme „sex sells“, obwohl wissenschaftliche Untersuchungen schon häufiger das Gegenteil feststellten. Die Praxis hält sich aber trotzdem weiterhin an diese Maxime und blendet aus, dass insbesondere Frauen von zu viel nackter Haut genervt sind und dem exzessiven Einsatz erotischer Sujets ablehnend gegenüberstehen.

Zwei Artikel, die unabhängig voneinander erschienen sind, versuchen, den angeführten Phänomenen auf den Grund zu gehen.

Der erste Beitrag analysiert am Beispiel von Buchbesprechungen, unter welchen Bedingungen sich negative Berichte positiv auf die Verkaufszahlen auswirken. Die Autoren brachten dazu die Abverkäufe von aktuellen Büchern mit der Wertung der Bücher bei Besprechungen in öffentlichen Medien in Zusammenhang. Sie unterschieden dabei zusätzlich, ob es sich bei den Autoren um unbekannte oder bekannte Autoren handelte. Ferner überprüften sie experimentell, ob es zu Verzögerungseffekten kommt, bei denen Menschen vielleicht die Valenz der Kritiken vergessen, sich aber an das Buch bzw. den Autor erinnern und deshalb eher zum Kauf tendieren – gleich ob gut oder schlecht rezensiert.

Im zweiten Beitrag wurde die These „sex sells“ experimentell überprüft, wobei die Autoren den Probanden entsprechende Anzeigen in unterschiedlich gestalteten Kontextsituationen präsentierten und erläuternde Kommentare in verschiedenen Versionen gaben, so dass die Urteilsituation unterschiedlich ausfiel.

### Schlüsselbegriffe:

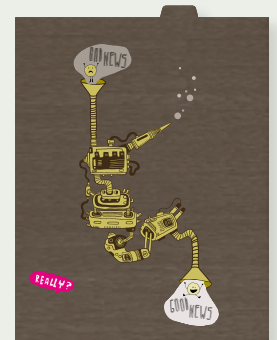
Negative Publicity, Mundpropaganda, Produkterfolg  
Werbung, Sex in der Werbung, Einstellungsmessung,  
Gender, Commitment

### Die wichtigsten Erkenntnisse im Überblick

- > *Negative Publicity ist gut für unbekannte Produkte*  
Die empirischen Befunde bestätigten zunächst einen starken Abverkaufseffekt positiver Besprechungen in Höhe von 30 bis 50 % unabhängig vom Bekanntheitsgrad der Autoren. Umgekehrt führten negative Besprechungen aber nur bei bekannten Autoren zu einem Absatzverlust von rund 15 %. Bei relativ unbekanntem Autoren hatte die negative Publicity dagegen den gegenteiligen Effekt: Der Absatz stieg um 45%! Zurückführbar ist dies auf die gestiegene Bekanntheit der Autoren. Vor allem im weiteren Zeitverlauf nach der Besprechung tritt deren Inhalt bei unbekanntem Autoren immer mehr in den Hintergrund. Die Konsumenten wissen nur noch, dass sie von dem Buch gehört haben, vergessen aber etwaige negative Inhalte. *Bad News sind also nicht immer, sondern nur für relativ unbekannte Produkte good News, während sie bekannte Produkte empfindlich schädigen können.*
- > *Die Reaktionen auf sexuelle Werbung ändern sich mit dem dargestellten Kontext*  
„Neutrale“ Motive wurden von Frauen besser beurteilt als sexuelle, während Männer auf sexuelle Stimuli positiver reagierten. Die Reaktionen bei den Frauen konnten aber deutlich verbessert werden, wenn das erotische Sujet in den Kontext einer liebevollen Partnerschaft gestellt wurde, in die der dargestellte Mann durch die Übergabe eines Geschenkes investierte. Die Autoren erklären diesen Effekt u.a. durch Theorien zur unterschiedlichen sexuellen Motivation von Männern und Frauen: Während Männer Sex als lustspendenden Selbstzweck empfinden, sehen Frauen Sex als Medium der intimen und verpflichtenden Beziehung zwischen Mann und Frau an. Entsprechend reagieren sie anders, wenn der Mann in der sex-betonten Werbung gleichzeitig beziehungsorientiert handelt, also z. B. ein Geschenk übergibt. *Sex verkauft also nicht zwingend an alle Zielgruppen und nicht in jeder Form. Entsprechend sollte das Framing der Motive an die Zielgruppen angepasst werden.*

Den ausführlichen Artikel  
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Hermann Diller

///

## *Operating Editor*

Christine Kittinger-Rosanelli

///

## *Editor*

GfK-Nürnberg e.V.

Nordwestring 101

D-90419 Nuremberg

Germany

Tel +49 911 395 22 31

Fax +49 911 395 27 15

Email: [info@gfk-association.org](mailto:info@gfk-association.org)

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