Multiple Instances of Negative Brand Publicity: Effects of Need for Cognition and Self-Brand Connection

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Abstract

Although it is very typical for consumers to be exposed to multiple instances of negative publicity about a brand, existing research has focused on consumers' reactions to one-time negative publicity instances. Given the important role of self-brand connection in consumers' reactions to negative brand-related information, the current study investigates how consumers with different self-brand connection and need for cognition levels reacts to multiple instances of negative publicity about a brand that are either in the same domain, which refers to the areas of a firm's policies and actions, or across different domains.

Introduction

Negative Publicity Domain Similarity: News reports on the right side are in the same domain, and news reports on the left side are across different domains.

- Sep 26, 2018, The New York Times:
  "Uber Settles Data Breach Investigation for $148 Million"

- Apr 18, 2019, Forbes:
  "Monsters To Nestlé: Single-Use Plastics Hurt People And Profits"

- Sep 17, 2019, CNBC:
  "Uber Drivers Block Traffic in Manhattan, Protesting Low Pay and Poor Working Conditions"

- Feb 4, 2020, S&P Global:
  "Cost of Environmental Damage Linked to Nestlé Rises Sharply."

- Mar 3, 2017, The Guardian :
  "Greyball: How Uber Used Secret Software to Dodge the Law."

- Oct 11, 2018, Independent:
  "Nestle Among Worst Plastic Polluters Based on Global Clean-ups"

Self-Brand Connection: the extent to which a consumer has incorporated a brand into his or her self-concept (Escalas 2004)

High Self-Brand Connection & Multiple Instances of Negative Publicity:

Same Domain	Different Domain
One-time negative publicity → Counterargue	
Multiple Instances of Negative Publicity Consistency: Signals stability (Tsiros et al. 2004), Responsibility attributed to the brand (Weiner 2000)	**Multiple Instances of Negative Publicity** Lack of consistency: Less likely to attribute responsibility (Weiner 2000)

Low Self-Brand Connection & Multiple Instances of Negative Publicity:

Same Domain	Different Domain
One-time negative publicity → Attribute responsibility to the brand	
Multiple Instances of Negative Publicity • Consistency beliefs in others' behaviors (Hirt et al. 1993), Low informational value • Less incremental change in responsibility attributions	**Multiple Instances of Negative Publicity** • Attribute responsibility for each instance • Marginal increase in responsibility attributions

Brand Evaluations: High SBC: Same Domain < Different Domain
Low SBC: Same Domain > Different Domain

Introduction Continued

Individuals high in NFC (Cacioppo et al. 1986):
- More likely to think about and elaborate on issue-relevant information
- Take into account different perspectives
- Rely on central cues (e.g., argument quality) rather than peripheral cues

The current study:
- High NFC: High SBC might respond to negative information as Low SBC does
- NFC is not expected to affect reactions of Low SBC consumers

Method

Design:

IV1: Domain Similarity (2 conditions)
- Condition 1: Different (domain 1, domain 2, domain 3)
- Condition 2: Same (3 levels)
  - Level 1: domain 1, domain 1, domain 1
  - Level 2: domain 2, domain 2, domain 2
  - Level 3: domain 3, domain 3, domain 3

IV2: Self-Brand Connection (Low vs. High)

DV: Overall Brand Evaluation

N = 171 (MTurk: 42.6 % female, Mage = 34.62)

Six report-domain combinations were created to control for order effect:

	Same 1		Same 1		Same 1
1st	River Pollution 1	1st	Child Labor 1	1st	Workers' Hosp. 1
2nd	River Pollution 2	2nd	Child Labor 2	2nd	Workers' Hosp. 2
3rd	River Pollution 3	3rd	Child Labor 3	3rd	Workers' Hosp. 3

|	Different 1		Different 2		Different 3
1st	River Pollution 1	1st	Child Labor 2	1st	Workers' Hosp. 3
2nd	Child Labor 1	2nd	Workers Hosp. 2	2nd	River Pollution 3
3rd	Workers' Hosp. 1	3rd	River Pollution 2	3rd	Child Labor 3

Measures:

Overall Brand Evaluation: bad/good; unfavorable/favorable, negative/positive, undesirable/desirable, awful/nice

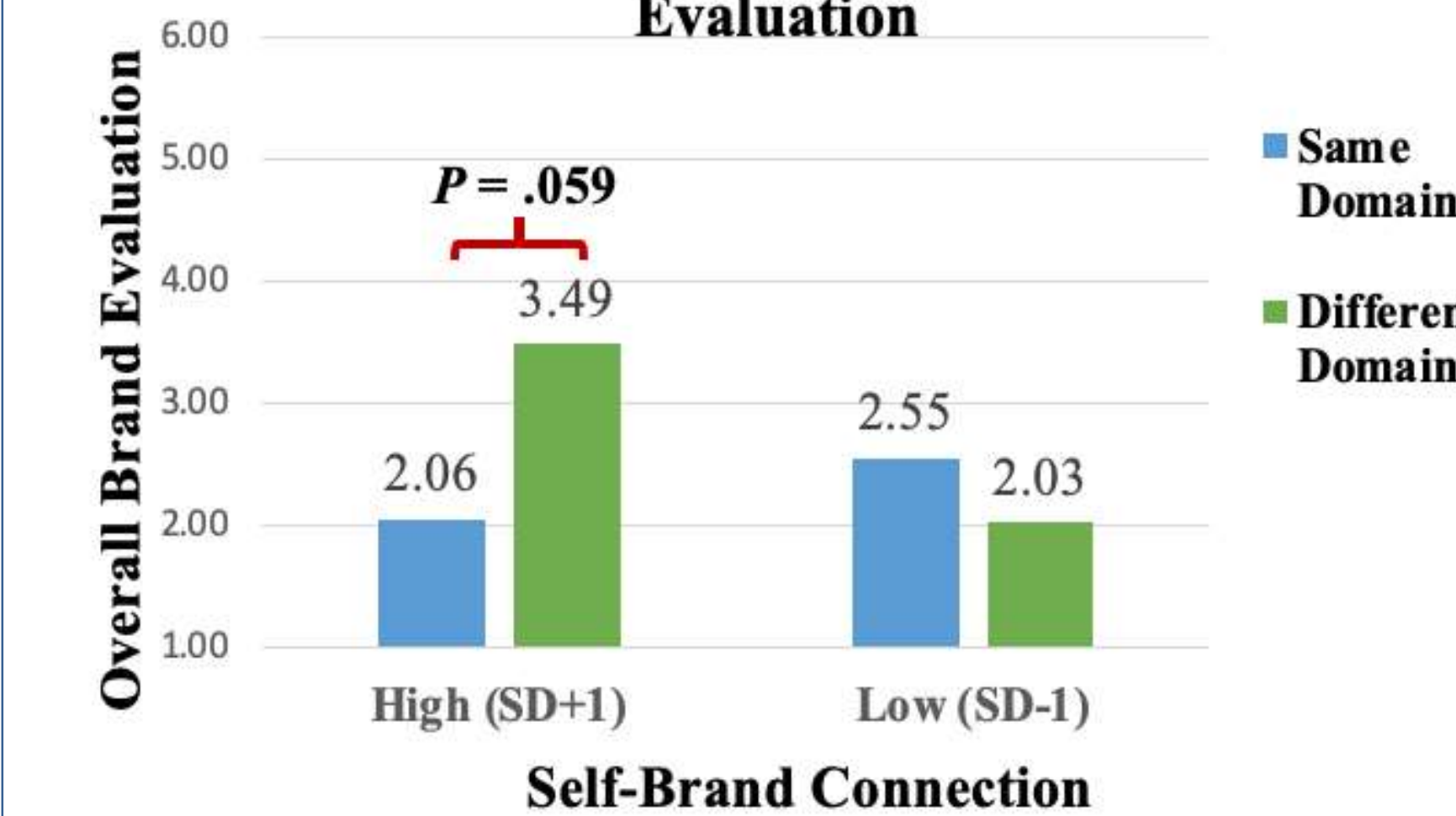*Perceived Credibility:* biased/unbiased, not credible/credible, anti-Under Armour/neutral

Need for Cognition Scale (Cacioppo et al. 1986)

Method – Results

The Effects of Negative Publicity Similarity and SBC on Overall Brand Evaluation

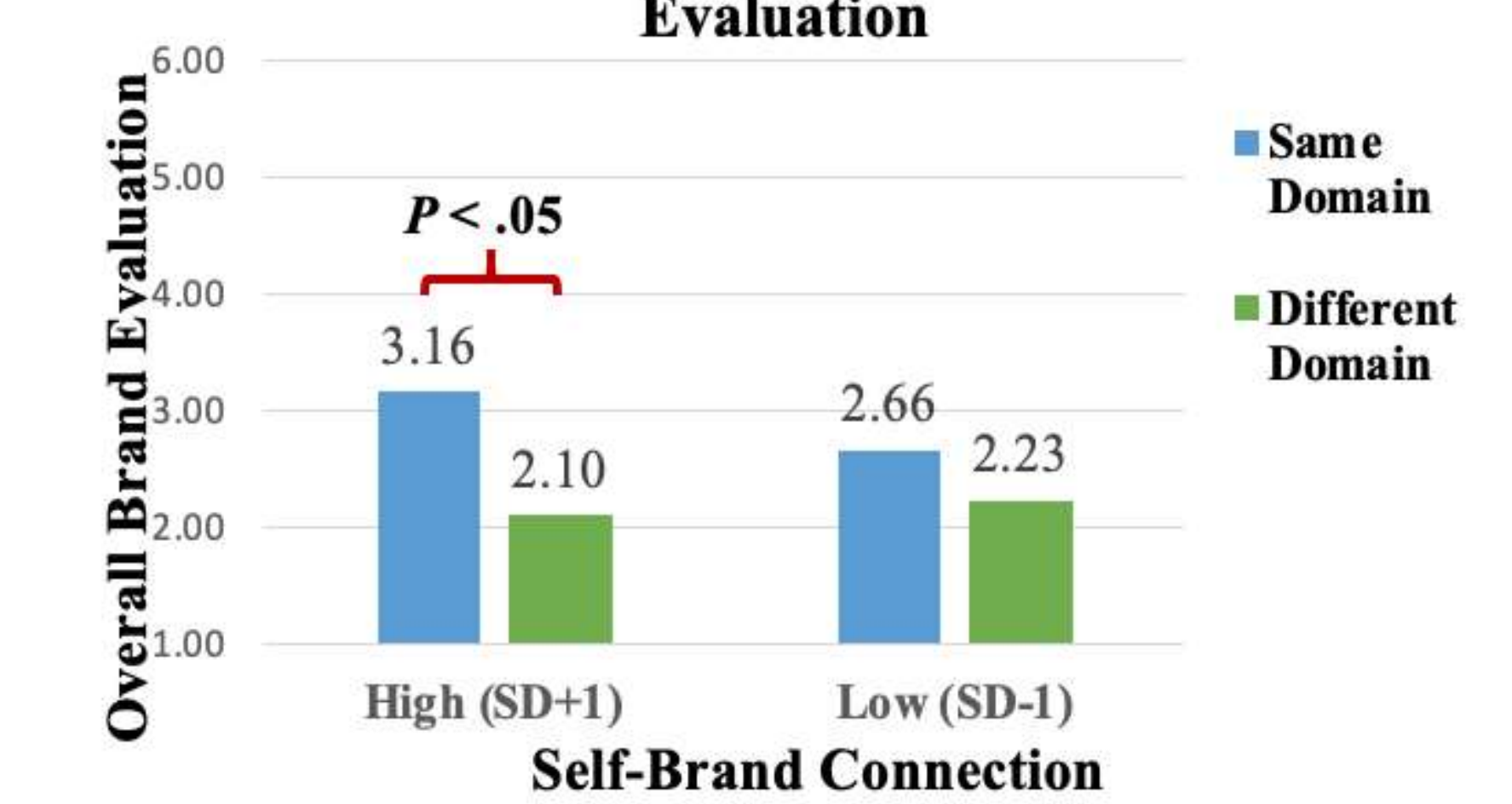*SBC x Domain Similarity: F < 1
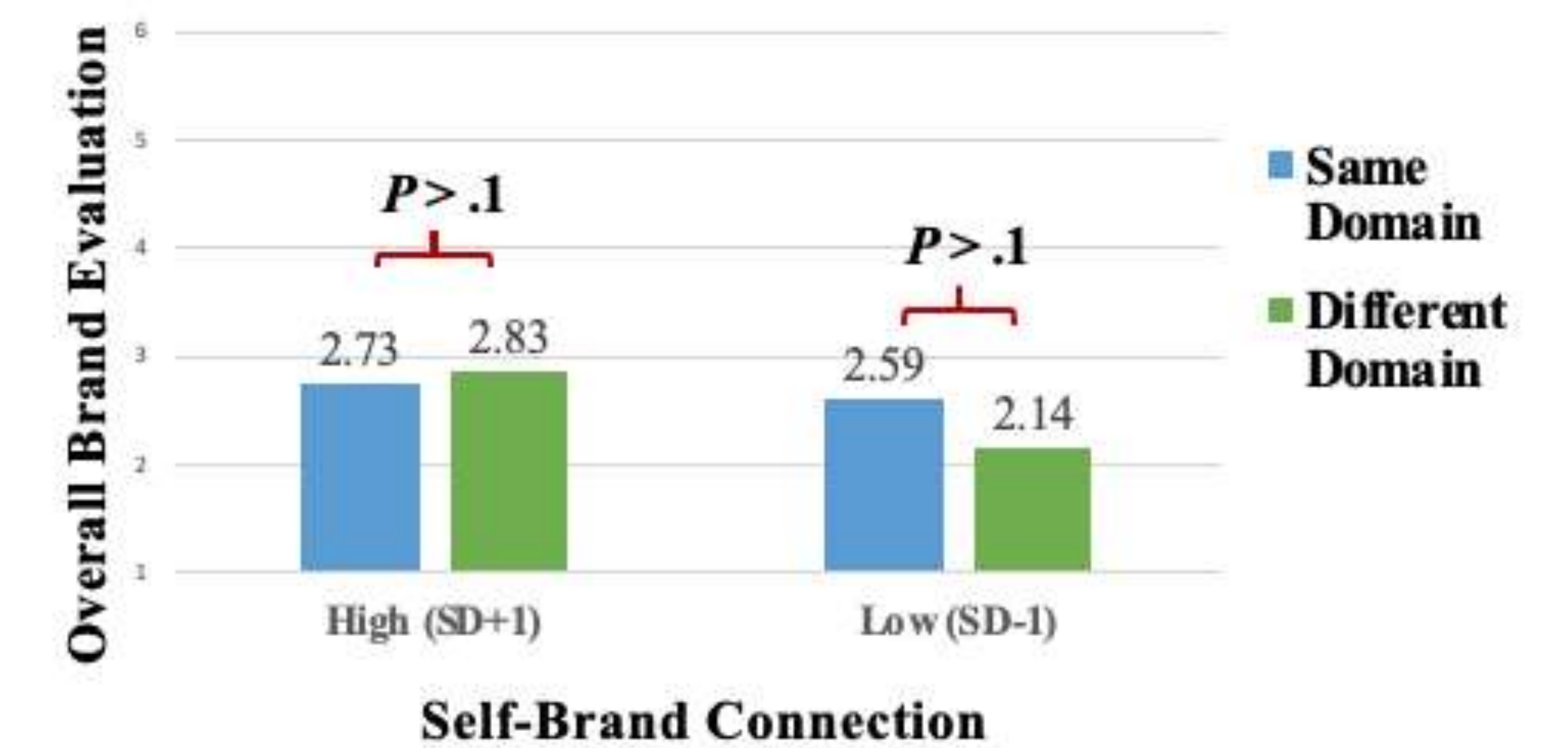
LOW NEED FOR COGNITION
The Effects of Negative Publicity Similarity and SBC on Overall Brand Evaluation

HIGH NEED FOR COGNITION
The Effects of Negative Publicity Similarity and SBC on Overall Brand Evaluation

*SBC x Domain_Similarity x NFC: β = -.39, t = -2.80, (95% CI: -.66, -.11)
SBC x Domain_Similarity:
Low NFC β = 1.96, *p* = .03
High NFC β = -.62, *p* > .1

Results Summary: NFC affects consumers' responses to multiple negative publicity instances, especially for high SBC consumers

Limitations: Results of this study showed that the overall interaction between domain similarity and self-brand connection on the attitude index was not significant. However, means were in the expected direction both for low SBC and high SBC consumers. SBC ratings of participants in the high consumers were around the mid-scale point. Based on the conceptual framework, consumers should be connected to the brand to perceive company misbehaviors as their own behaviors and to feel a personal threat. However, SBC manipulation used in this study might not be strong enough to create this connection, and this might be an alternative explanation for the non-significant interaction effect.

References

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